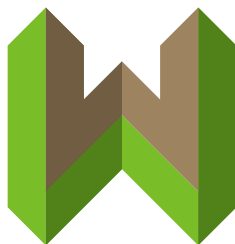


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WINFULL GROUP HOLDINGS LIMITED

宏輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 183)

DISCLOSEABLE TRANSACTION:

ADDITIONAL CAPITAL COMMITMENT FOR THE PROJECT

On 15 June 2016, each of the Company and Joy Shing executed the Guarantee in favour of the Bank to guarantee (on a several and pro-rata basis by reference to the proportion of the Group's equity interest in the JV) the Facility made available to Everhost in connection with the development of the Project. As such, the additional capital commitment to be borne by the Group will be approximately HK\$66 million, representing the 30% interest of the Group in the JV.

As the applicable percentage ratios in respect of the additional capital commitment of the Group towards the Project exceed 5% but are below 25%, the additional capital commitment and the entering into of the Guarantee constitute a discloseable transaction on the part of the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

BACKGROUND OF THE TRANSACTION

Reference is made to the announcement of the Company dated 18 May 2010 in relation to the formation of the JV, which is owned as to 30% by the Group and 70% by Apex. As disclosed in the announcement, the JV is formed for the purpose of acquiring and re-developing the Property through Everhost.

As disclosed in the announcement, it was estimated that the project costs, including (without limitation) the costs of acquisition of the Property and the construction costs, were approximately HK\$754 million, of which the Group is expected to contribute approximately HK\$226.2 million, representing its 30% interest in the JV. The project costs would be funded initially by project financing from banks or financial institutions as the board of the JV may deem appropriate from time to time with any shortfall to be funded by shareholders' loans from Joy Shing and Apex on a several and pro-rata basis with reference to their respective shareholdings in the JV.

As disclosed in the announcement of the Company dated 21 June 2010, each of the Company and Joy Shing executed a guarantee in favour of the Bank to guarantee (on a several and pro-rata basis by reference to the proportion of the Group's equity interest in the JV) the term loan facility of up to an aggregate amount of HK\$480 million made available to Everhost in connection with the Project.

During the progress of the Project development, it is contemplated that additional capital commitment would be required for an additional costs for reinitiating the Project as a result of the suspension in construction works because of the delay in approval of the Project by District Lands Officer as disclosed in the announcements of the Company dated 14 May 2013 and 16 December 2015. In accordance with the new budget for the Project, it is now estimated that a further HK\$220 million in addition to the original estimated project costs of HK\$754 million will be required, of which the Group is expected to contribute or be responsible for approximately HK\$66 million, representing its 30% interest in the JV.

Everhost has obtained a new term loan facility of up to an aggregate of HK\$700 million with the Bank for refinancing of the existing bank loan and to finance the repayments of shareholder's loans which had been or will be incurred for the additional costs for reinitiating the Project.

THE GUARANTEE AND ADDITIONAL CAPITAL COMMITMENT

Each of the Company and Joy Shing has executed a guarantee (the "**Guarantee**") in favour of the Bank to guarantee (on a several and pro-rata basis by reference to the proportion of the Group's equity interest in the JV) the term loan facility of up to HK\$700 million (the "**Facility**") made available to Everhost in connection with the development of the Project. As such, the additional capital commitment to be borne by the Group will be approximately HK\$66 million, representing the 30% interest of the Group in the JV.

Everhost is the operating subsidiary wholly owned by the JV for the purpose of the development of the Project.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of Apex and the Bank and their respective ultimate beneficial owners are Independent Third Parties.

The additional capital commitment of HK\$66 million is determined with reference to (i) the additional capital requirement of Everhost of HK\$220 million for the development of the Project; and (ii) the Group's proportional equity interest in the JV.

The Directors consider that the terms and conditions of the Guarantee and the additional capital commitment for the Project are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE PROJECT

The Property is located at Nos. 18–32 Junction Road, Kowloon, Hong Kong with a site area of approximately 10,200 square feet.

The Property is in the course of being re-developed into a 29-storey residential building with a gross floor area of 84,365 square feet and it is expected that the sales of the units of the Project will be on or before 31 December 2016.

It was originally expected that the project costs would be HK\$754 million. During the progress of the Project development, it is contemplated that additional capital commitment would be required for an additional costs for reinitiating the Project as a result of the suspension in construction works because of the delay in approval of the Project by District Lands Officer as stated in the announcements of the Company dated 14 May 2013 and 16 December 2015. In accordance with the new budget for the Project, it is now estimated that a further HK\$220 million in addition to the original estimated project costs of HK\$754 million will be required, of which the Group is expected to contribute or be responsible for approximately HK\$66 million, representing its 30% interest in the JV.

REASONS FOR THE TRANSACTION

As at the date of this announcement, the Group is principally engaged in property investment and trading and property development.

In light of the growing potential of the property market in Hong Kong, the Board is of the view that the Project will be beneficial to the long term development of the Group. The Group would be able to benefit financially from its investment in the JV through the sale and/or leasing of the units in the re-developed Property and the additional project financing from the Bank is crucial for the finalization of the redevelopment Project.

Further, despite the Guarantee, the project financing from the Bank will alleviate the needs of the Group to finance shortfall in the Project by its internal resources as a portion of the Facility will be utilized to finance the additional costs for reinitiating the Project.

With the expected sale of the units of the re-developed Property on or before 31 December 2016, it is expected that the Project will contribute to the result of the Group.

Taking into consideration of the aforesaid, the Directors consider that the terms of the additional capital commitment to be fair and reasonable and in the interest of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios in respect of the additional capital commitment of the Group towards the Project exceed 5% but are below 25%, the additional capital commitment and the entering into of the Guarantee constitute a discloseable transaction on the part of the Company and are subject to the announcement requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

Terms or expressions used in this announcement shall, unless the context otherwise requires, have the meanings ascribed to them below:

“Apex”	Apex Step Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Bank”	Hang Seng Bank Limited
“Board”	the board of Directors
“Company”	Winfull Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning as ascribed thereto under the Listing Rules
“Directors”	the directors (including the independent non-executive directors) of the Company
“Everhost”	Everhost Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the JV and the operating subsidiary for the Project
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons of the Company in accordance with the Listing Rules
“Joy Shing”	Joy Shing Development Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company

“JV”	Apex Plan Limited, a company incorporated in the British Virgin Islands with limited liability and is owned as to 30% by Joy Shing and 70% by Apex
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Project”	the project involving the acquisition and re-development of the Property
“Property”	the property located at Nos. 18–32 Junction Road, Kowloon, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

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

Hong Kong, 15 June 2016

As at the date of this announcement, the Company’s executive directors are Mr. Pong Wai San, Wilson, Mr. Lee Wing Yin and Mr. Ngan Man Ho, the Company’s non-executive director is Mr. Lai Hin Wing, Henry and the Company’s independent non-executive directors are Mr. Koo Fook Sun, Louis, Ms. Yeung Wing Yan, Wendy and Mr. Lung Hung Cheuk respectively.