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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

On 18 April 2017 (after the Stock Exchange trading hours), the Group entered into the Provisional Agreement with the Vendor pursuant to which the Group has agreed to acquire the Property for a consideration of HK\$108,000,000. The consideration has been/will be satisfied by the Group in cash.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under the Listing Rules.

THE ACQUISITION

On 18 April 2017 (after trading hours of the Stock Exchange), the Purchaser, a wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Vendor for the sale and purchase of the Property at the cash consideration of HK\$108,000,000 payable in the following manner:

- (i) HK\$5,400,000 has been paid upon signing of the Provisional Agreement on 18 April 2017;
- (ii) HK\$5,400,000 shall be paid upon signing of the formal sale and purchase agreement on or before 2 May 2017; and
- (iii) The remaining HK\$97,200,000 shall be paid upon completion which shall take place on or before 31 July 2017.

The consideration for the Acquisition is HK\$108,000,000 which was arrived at after arm's length negotiation between the parties to the Provisional Agreement through estate agent and has been/will be satisfied by internal resources of the Group.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Vendor is an investment holding company and together with its ultimate beneficial owner(s) are third parties independent of and not connected with the Company and any of its connected persons within the meaning of the Listing Rules. The Vendor confirms that it and its associates (as defined under the Listing Rules) do not hold any shares or equity interests, whether directly or indirectly, in the Share capital of the Company.

To the best information, knowledge and belief of the Directors, the Property were leased by the Vendors and the total rental income derived from the Property in the two financial years immediately preceding the date of the Provisional Agreement amounted to approximately HK\$2,284,000 and HK\$2,406,000 for the two years ended 30 June 2015 and 2016 respectively. The after tax income (assuming a profit tax rate of 16.5% and without any expenses) derived from the Property would be amounted to approximately HK\$1,907,000 and HK\$2,009,000 for the two years ended 30 June 2015 and 2016 respectively.

REASONS FOR THE ACQUISITION

The Group is principally engaged in property investment and trading and property development and provision of renovation services.

The Directors are optimistic about the prospect of the Hong Kong office market. The Directors considered that the Acquisition represents an investment opportunity in Hong Kong office market and the Group will benefit from the long term appreciation of the price in commercial offices in Hong Kong.

The Property is situated in an office building in Hong Kong's prime commercial district with a gross area of 7,303 square feet. After Completion, the Board intends to lease out the Property which will provide future stable income for the Group. The terms of the Provisional Agreement were determined on normal commercial terms through arm's length negotiation with the parties. The Directors consider the terms of the Provisional Agreement (including the consideration) are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the Acquisitions is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction on the part of the Company under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“Acquisition”	the proposed acquisition of the Property by the Purchaser pursuant to the Provisional Agreement
“Board”	board of Directors
“Company”	Winfull Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose issued Shares are listed on the main board of the Stock Exchange
“Completion”	the completion of the Acquisition in accordance with the terms and conditions of the Provisional Agreement
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	15/F, Far East Consortium Building, No. 121 Des Voeux Road Central, Hong Kong
“Provisional Agreement”	the provisional sale and purchase agreement dated 18 April 2017 and entered into between the Purchaser and the Vendor in relation to the acquisition of the Property
“Purchaser”	Monilea Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Winkit Development Limited, a company incorporated in Hong Kong with limited liability

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board
Winfull Group Holdings Limited
Pong Wilson Wai San
Chairman

Hong Kong, 18 April 2017

As at the date of this announcement, the Company's executive directors are Mr. Pong Wilson Wai San, 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.