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STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 211)

CONNECTED TRANSACTION: THE ENTERING INTO OF THE SUPPLEMENTAL AGREEMENT AND THE PROPOSED ENTERING INTO OF THE TENANCY AGREEMENT

After further arm's length negotiations, the Transferors and the Company have on 11 September 2013 entered into of the Supplemental TGL SPA to amend the terms of the TGL Sale and Purchase Agreement such that (i) Hoowin Limited as landlord, K.C. (Asset) Limited as Tenant and Mr. Cheung as guarantor will upon Completion of the TGL Transfer enter into the Tenancy Agreement pursuant to which the Tenant agreed to rent the Residential Property at the monthly rental of HK\$85,000 subject to the terms and conditions of the Tenancy Agreement; and (ii) the Residential Property shall be subject to the Tenancy Agreement upon Completion of the TGL Transfer.

As the proposed entering into of the Tenancy Agreement is part of the transactions contemplated under the TGL Sale and Purchase Agreement (as amended and supplemented by the Supplemental TGL SPA), the Supplemental TGL SPA and the Tenancy Agreement shall be aggregated with the TGL Sale and Purchase Agreement, which constitutes a discloseable and connected transaction on the part of the Company and shall be subject to the announcement, reporting and Independent Shareholders' approval requirements under the Listing Rules.

Reference is made to the announcement of the Company dated 19 August 2013 (the "**Announcement**") in relation to, among others, the entering into of the Supplemental Settlement Deed and the TGL Sale and Purchase Agreement. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined in the Announcement.

* *For identification purpose only*

SUPPLEMENTAL AGREEMENT TO THE TGL SALE AND PURCHASE AGREEMENT

Pursuant to the terms of the TGL Sale and Purchase Agreement, the Transferors shall procure the delivery of vacant possession of the Residential Property upon Completion of the TGL Transfer. After further arm's length negotiations, the Transferors and the Company have on 11 September 2013 (after trading hours) entered into of a supplemental agreement (the "**Supplemental TGL SPA**") to amend the terms of the TGL Sale and Purchase Agreement such that (i) Hoowin Limited as landlord, K.C. (Asset) Limited as tenant (the "**Tenant**") and Mr. Cheung as guarantor will upon Completion of the TGL Transfer enter into a tenancy agreement (the "**Tenancy Agreement**") pursuant to which the Tenant agreed to rent the Residential Property at the monthly rental of HK\$85,000 subject to the terms and conditions of the Tenancy Agreement; and (ii) the Residential Property shall be subject to the Tenancy Agreement upon Completion of the TGL Transfer.

Conditions Precedent

The Supplemental TGL SPA is conditional upon the fulfillment of the following conditions:

- (a) the fulfillment of the conditions of the TGL Sale and Purchase Agreement;
- (b) compliance with the Listing Rules by the parties in respect of the Supplemental TGL SPA; and
- (c) without prejudice to condition (b) above, the passing by the Independent Shareholders at a SGM to be convened and held of an ordinary resolution to approve the Supplemental TGL SPA and the transactions contemplated thereunder, including but not limited to the entering into of the Tenancy Agreement by the relevant parties.

If the conditions set out in above have not been satisfied on or before 31 October 2013, or such later date as the parties thereto may agree, the Supplemental TGL SPA shall cease and terminate as if the Supplemental TGL SPA has not been entered into and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof. For the avoidance of doubt, the rights and obligations of the parties under the Supplemental Settlement Deed and the TGL Sale and Purchase Agreement shall not be affected in such case.

Save for the aforesaid amendments to the TGL Sale and Purchase Agreement contemplated under the Supplemental TGL SPA, the other material terms of the TGL Sale and Purchase Agreement remain unchanged. Set out below is the principal terms of the Tenancy Agreement.

THE TENANCY AGREEMENT

Date: Upon Completion of the TGL Transfer

Parties:

- (1) Hoowin Limited as landlord
- (2) K.C. (Asset) Limited as tenant
- (3) Mr. Cheung as guarantor

Mr. Cheung is a substantial shareholder of the Company and the father of Mr. Cheung Hoo Win, who is an executive Director and the chief executive officer of the Company. As such, Mr. Cheung is a connected person of the Company as defined under Chapter 14A of the Listing Rules.

The Tenant is a company incorporated in the British Virgin Islands with limited liabilities and is principally engaged in investment holdings. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Tenant is wholly and beneficially owned by Mr. Cheung.

Principal terms of the Tenancy Agreement

Pursuant to the Tenancy Agreement, the Tenant has agreed to rent and Hoowin Limited has agreed to let the Residential Property on the following terms:

Rental:	HK\$85,000 per month for the first year and at fair market rent for the next 12 months in the event that the Tenant exercises the option to renew
Term:	1 year for fixed terms with an option for the Tenant to rent the Residential Property for the next 12 months
Deposit:	HK\$170,000, equivalent to 2 months rent
Commencement Date:	Upon Completion of the TGL Transfer

Rates, Government Rent and management fee shall be paid by Hoowin Limited.

The monthly rental was determined with reference to the valuation report on the market rent for the Residential Property from a firm of independent professional valuer appointed by the Company. In light of the valuation, the Directors consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Guarantee by Mr. Cheung

Mr. Cheung has agreed under the Tenancy Agreement to guarantee the performance of the Tenant under the Tenancy Agreement.

REASONS FOR THE ENTERING INTO OF THE TENANCY AGREEMENT

The Company is an investment holding company. The principal activities of the Group consist of investment holdings, securities dealing and broking, financing, trading of securities, general trading and property redevelopment and investment.

The Directors consider that the proposed entering into of the Tenancy Agreement as contemplated under the Supplemental TGL SPA will allow the Group to have a steady rental income from the Residential Property immediately following Completion of the TGL Transfer instead of waiting for suitable tenant to rent out the Residential Property after Completion of the TGL Transfer.

Based on the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Tenancy Agreement are fair and reasonable and the entering into of the Tenancy Agreement is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. Cheung is a substantial Shareholder and the father of Mr. Cheung Hoo Win, who is an executive Director and the chief executive officer of the Company. The Tenant is a company wholly and beneficially owned by Mr. Cheung. As such, Mr. Cheung and the Tenant are connected persons of the Company as defined under Chapter 14A of the Listing Rules.

After Completion of the TGL Transfer, Hoowin Limited will become a wholly owned subsidiary of the Company. As such, the proposed entering into of the Tenancy Agreement will be a connected transaction as defined under Chapter 14A of the Listing Rules.

As the proposed entering into of the Tenancy Agreement is part of the transactions contemplated under the TGL Sale and Purchase Agreement (as amended and supplemented by the Supplemental TGL SPA), the Supplemental TGL SPA and the Tenancy Agreement shall be aggregated with the TGL Sale and Purchase Agreement and shall be subject to the announcement, reporting and Independent Shareholders' approval requirements under the Listing Rules.

By order of the Board
Styland Holdings Limited
Ng Yiu Chuen
Director

Hong Kong, 11 September 2013

As at the date of this announcement, the Board comprises five executive Directors, Mr. Cheung Hoo Win, Mr. Ng Yiu Chuen, Ms. Mak Kit Ping, Ms. Zhang Yuyan and Ms. Chen Lili and four independent non-executive Directors, Mr. Zhao Qingji, Mr. Yeung Shun Kee, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip.