

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **APPLIED DEVELOPMENT HOLDINGS LIMITED**

**實力建業集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 519)**

### **DISCLOSEABLE TRANSACTION – ACQUISITION OF PROPERTY**

On 4 February 2016, the Purchaser, an indirect wholly owned subsidiary of the Company, entered into the Agreement with the Vendor whereby the Purchaser agreed to purchase and the Vendor agreed to sell the Property at a cash consideration of HK\$47,148,000.

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 4 February 2016, the Purchaser, an indirect wholly owned subsidiary of the Company, entered into the Agreement with the Vendor whereby the Purchaser agreed to purchase and the Vendor agreed to sell the Property at a cash consideration of HK\$47,148,000. The Purchaser and the Vendor shall enter into a formal sale and purchase agreement on or before 22 February 2016.

#### **THE AGREEMENT**

The principle terms of the Agreement are as follows:

##### **Date**

4 February 2016

##### **Parties**

Vendor : Hong Kong EECPC Centre Limited, a company incorporated in Hong Kong with limited liability. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

\* For identification purpose only

Purchaser : Applied Hong Kong Properties Limited, an indirect wholly owned subsidiary of the Company.

Property : Office No. 3316 on 33rd Floor, China Merchants Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong. The Property is being purchased by the Purchaser subject to the existing tenancy.

The Property is a commercial property, with a gross floor area of approximately 2,062 square feet and is currently leased out with rental agreed at HK\$90,000 per month (exclusive of rates, management fees and all other outgoings) for a term up to 30 September 2016. An option has been granted to the tenant that the tenancy can be renewed for a further term of three years subject to certain terms, including the rent of the Property, to be mutually agreed with the tenant.

Consideration : HK\$47,148,000, which has been, or is to be, paid in the following manner:

- (a) HK\$2,268,200 was paid upon the signing of the Agreement as an initial deposit;
- (b) HK\$2,446,600 shall be paid on or before 22 February 2016 as a further deposit; and
- (c) HK\$42,433,200 shall be paid upon Completion on or before 8 April 2016 as the remaining balance of the consideration.

All deposits paid or payable by the Purchaser has been paid or shall be paid to the Vendor's solicitors as stakeholder who shall not release the same to the Vendor until Completion.

The Consideration will be funded by internal resources of the Group.

The consideration has been determined after arm's length negotiations between the parties with reference to (a) the prevailing market value of commercial properties of similar size and age as the Property in the same vicinity; and (b) the prevailing market conditions. The Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

Completion : Completion shall take place on or before 8 April 2016.

## **REASONS FOR THE ACQUISITION**

The Company is an investment holding company and the Group is principally engaged in resort and property development, property investment and investment holding. The Group has been exploring appropriate investment opportunities and is optimistic about the long-term prospect of the property market in Hong Kong. The Acquisition allows the Group to enlarge and diversify its investment properties portfolio with high quality assets, strengthen the income base of the Group and provide capital appreciation potential to the Group. The Company intends to hold the Property for long-term investment purposes. The Board believes that the Acquisition represents a good investment opportunity in commercial property for the Company and will improve the Company's operating performance in the medium to long run. Accordingly, the Group entered into the Agreement to effect the Acquisition, the terms of which are in the opinion of the Board fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of 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 terms of the Agreement
“Agreement”	the provisional agreement for sale and purchase of the Property dated 4 February 2016 entered into between the Vendor and the Purchaser in respect of the Acquisition
“Board”	the Board of Directors
“Company”	Applied Development Holdings Limited (實力建業集團有限公司*), a company incorporated in Bermuda, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 519)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“Property”	Office No. 3316 on 33rd Floor, China Merchants Tower, Shun Tak Centre, Nos. 168-200 Connaught Road Central, Hong Kong
“Purchaser”	Applied Hong Kong Properties Limited, a company incorporated in Hong Kong and an indirect wholly owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Hong Kong EECPC Centre Limited, a company incorporated in Hong Kong with limited liability
“%”	per cent.

By Order of the Board  
**Applied Development Holdings Limited**  
**Wang Jingyu**  
*Chairlady and Managing Director*

Hong Kong, 4 February 2016

*As at the date of this announcement, the Executive Directors are Ms. Wang Jingyu, Ms. Ng Kit Ling and Mr. Tsao Hoi Ho; the Independent Non-executive Directors are Mr. Su Ru Jia, Mr. Lo Yun Tai and Mr. Chan Ming Fai, Terence.*

*In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text thereof.*