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建業實業有限公司
Chinney Investments, Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 216)



漢國置業有限公司
Hon Kwok Land Investment Company, Limited
(Incorporated in Hong Kong with limited liability)
(Stock Code: 160)

JOINT ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

ACQUISITION OF 50% OF THE ISSUED SHARE CAPITAL OF AMPLE JOY INTERNATIONAL LIMITED TOGETHER WITH THE ASSIGNMENT OF RELATED SHAREHOLDER'S LOAN

The directors of Chinney and Hon Kwok would like to announce that on 5 January 2009, Cheerworld, as purchaser, has entered into the Agreement with Sharp-View, as vendor, for the acquisition of 50% of the issued share capital of Ample Joy and the assignment of the related shareholder's loan to Cheerworld at an aggregate consideration of HK\$40,000,000.

As the applicable percentage ratios as defined in the Listing Rules exceed 5% but less than 25%, the Acquisition constitutes a discloseable transaction for both Chinney and Hon Kwok under Chapter 14 of the Listing Rules.

THE AGREEMENT

Pursuant to the Agreement, Sharp-View agreed to sell and Cheerworld agreed to purchase 50% of the issued share capital of Ample Joy and Sharp-View agreed to assign the related shareholder's loan to Cheerworld.

1. Date

5 January 2009

2. Parties

Vendor : Sharp-View

Purchaser : Cheerworld, an indirect wholly-owned subsidiary of Hon Kwok

3. Information of Ample Joy and the Property

Ample Joy is an investment holding company and is jointly-owned as to 50% by Cheerworld and 50% by Sharp-View at the date of the Agreement. The sole asset of significance of the Ample Joy Group is the Property, which is a bare land situated at Lot No. B-01-2, Jinshanpianqu, Jinkaiyuan, Beibusinqu, Chongqing, PRC (中國重慶北部新區經開園金山片區B-01-2號地塊) with a total usable site area of approximately 12,181 square metres. The Property is planned to be developed into a commercial/serviced apartment/hotel complex with a total gross floor area of approximately 133,500 square metres.

In the books of Ample Joy Group, the carrying value of the Property as at 30 September 2008 was RMB16,825,000 (equivalent to approximately HK\$19,119,000) and the unaudited consolidated net assets of the Ample Joy Group before shareholders' loans as at 30 September 2008 was approximately HK\$19,294,000.

As at the date of the Agreement, the amount of shareholders' loans owed by Ample Joy to its shareholders is as follows:

	Amount of Shareholder's Loan HK\$
Cheerworld	8,414,750
Sharp-View	<u>8,409,992</u>
Total	<u><u>16,824,742</u></u>

Ample Joy was set up in February 2007. There were no operating results for Ample Joy for the period ended 31 March 2007 and the unaudited net loss before and after tax attributable to the subsidiaries of Ample Joy for the period ended 31 March 2007 were both approximately HK\$26,000. The unaudited net loss before and after tax attributable to the Ample Joy Group for the year ended 31 March 2008 were both approximately HK\$9,000.

Upon completion of the Agreement, Ample Joy will become a wholly-owned subsidiary of Cheerworld, which in turn is an indirect wholly-owned subsidiary of Hon Kwok.

4. Consideration and Payment Terms

The aggregate consideration for the acquisition of 50% of the issued share capital of Ample Joy and the assignment of the related shareholder's loan is HK\$40,000,000 and is payable in the following manner:

- (i) HK\$20,000,000 as deposit and part payment has been paid upon signing of the Agreement; and
- (ii) the balance of the consideration will be settled by the issue of a promissory note in the principal amount of HK\$20,000,000 to Sharp-View. The promissory note shall be payable in full on or before 4 January 2011 and shall not bear any interest or charges.

The consideration was arrived at after arm's length negotiations between the parties and by reference to the property market condition in Chongqing, the potential of the underlying development and the benefits that are expected to accrue to Hon Kwok in terms of full control over Ample Joy. The price payable on acquisition of 50% of the Property is approximately RMB527 per square metre (based on the planned gross floor area).

5. Completion

Completion of the Acquisition shall take place on or before 19 January 2009.

REASONS AND BENEFITS FOR THE ACQUISITION

In July 2007, the Hon Kwok Group had acquired 50% of the issued share capital of Ample Joy and upon completion of the Acquisition, Hon Kwok Group will own the entire issued share capital of Ample Joy and thus, will have full control over the development of the Property.

The Hon Kwok Group's core business strategy is to develop and invest in properties and the directors of Hon Kwok believe that the Acquisition is in line with the strategy of the Hon Kwok Group.

The directors of Chinney and Hon Kwok believe that the terms of the Acquisition are fair and reasonable and in the interests of the shareholders of Chinney and Hon Kwok as a whole.

IMPLICATION OF THE LISTING RULES

As the applicable percentage ratios as defined in the Listing Rules exceed 5% but less than 25%, the Acquisition constitutes a discloseable transaction for both Chinney and Hon Kwok under Chapter 14 of the Listing Rules.

INFORMATION ON CHINNEY

Chinney is an investment holding company. Its subsidiaries (excluding the Hon Kwok Group) are mainly engaged in garment manufacturing and trading and general investment.

At the date of this announcement, Chinney Holdings is holding approximately 57.70% of the issued share capital of Chinney.

INFORMATION ON HON KWOK

Hon Kwok is an investment holding company. Its subsidiaries are mainly engaged in property development, property investment and property related businesses.

At the date of this announcement, Chinney is holding approximately 54.33% of the issued share capital of Hon Kwok.

INFORMATION ON SHARP-VIEW

Sharp-View is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company.

To the best of the knowledge, information and belief of the directors of Chinney and Hon Kwok and having made all reasonable enquiry, Sharp-View and its ultimate beneficial owners are independent third parties of Chinney and Hon Kwok and are not connected persons of Chinney and Hon Kwok.

DIRECTORS OF CHINNEY

At the date of this announcement, the directors are Dr. James Sai-Wing Wong, Ms. Madeline May-Lung Wong, Mr. William Chung-Yue Fan and Mr. Herman Man-Hei Fung and the independent non-executive directors are Dr. Clement Kwok-Hung Young, Mr. Peter Man-Kong Wong and Mr. James C. Chen.

DIRECTORS OF HON KWOK

At the date of this announcement, the directors are Dr. James Sai-Wing Wong, Ms. Madeline May-Lung Wong, Mr. Herman Man-Hei Fung, Mr. Kwok-Wing Cheung and Mr. Yuen-Keung Chan and the independent non-executive directors are Dr. Daniel Chi-Wai Tse, Mr. Kenneth Kin-Hing Lam and Professor Hsin-Kang Chang.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the acquisition of 50% of the issued share capital of Ample Joy and the assignment of related shareholder’s loan
“Agreement”	the sale and purchase agreement dated 5 January 2009 entered into between Cheerworld, as purchaser, and Sharp-View, as vendor, for the acquisition of 50% of the issued share capital of Ample Joy and the assignment of the related shareholder’s loan to Cheerworld
“Ample Joy”	Ample Joy International Limited, a company incorporated in the British Virgin Islands with limited liability
“Ample Joy Group”	Ample Joy and its subsidiaries
“Cheerworld”	Cheerworld Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Chinney”	Chinney Investments, Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange and which is the holding company of Hon Kwok
“Chinney Holdings”	Chinney Holdings Limited, a company incorporated in Hong Kong with limited liability and which is the holding company of Chinney
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Hon Kwok”	Hon Kwok Land Investment Company, Limited, a company incorporated in Hong Kong with limited liability and the shares of which are listed on the Stock Exchange
“Hon Kwok Group”	Hon Kwok and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Property”	Lot No. B-01-2, Jinshanpianqu, Jinkaiyuan, Beibusinqu, Chongqing, PRC (中國重慶北部新區經開園金山片區B-01-2號地塊)
“RMB”	Renminbi, the lawful currency of the PRC
“Sharp-View”	Sharp-View Group Inc., a company incorporated in the British Virgin Islands with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

For illustration purpose, RMB has been translated into HK\$ at the exchange rate of HK\$1.00 = RMB0.88. Such translation should not be construed as a representation that any amounts in RMB or HK\$ have been, could have been, or could be, converted at the above rate or any other rates or at all.

By Order of the Board
Chinney Investments, Limited
Wendy Yuk-Ying Chan
Company Secretary

By Order of the Board
Hon Kwok Land Investment Company, Limited
Wendy Yuk-Ying Chan
Company Secretary

Hong Kong, 5 January 2009