



興勝創建控股有限公司 HANISON CONSTRUCTION HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 896)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTIES

The Directors announce that on 13 September 2005, Emwell, an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Vendor to acquire the Properties for a consideration of HK\$27,030,000.

The Acquisition contemplated under the Agreement constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. A circular containing details of the Acquisition will be sent to shareholders of the Company as soon as practicable.

THE AGREEMENT

Date:

13 September 2005

Parties:

Emwell as the purchaser and Molex Hong Kong/China Limited as the Vendor

To the best of the Directors' knowledge, information and belief and having made reasonable enquiry, each of the Vendor and its ultimate beneficial owners is a third party independent of the Company and its connected persons as defined in the Listing Rules. The principal business of the Vendor is manufacturing of electronic, electrical and fiber optic interconnection products and systems.

Properties:

The Properties comprise Workshops 9 to 13 (both inclusive) on 2nd Floor of Block A with a gross area of 28,475 sq. ft. and Car Parking Spaces V49, V50, L42 and L45 on 2nd Floor of Shatin Industrial Centre, Nos. 5 - 7 Yuen Shun Circuit, Shatin, New Territories. The Properties can be used for industrial purposes.

Consideration and payment terms:

The consideration for the Acquisition is HK\$27,030,000 and is payable in cash in the following manners:

- (1) an initial deposit of HK\$1,020,000 has been paid by Emwell to the Vendor's solicitors as stakeholder upon signing of the Agreement;
- (2) a further deposit of HK\$1,683,000 shall be payable to the Vendor's solicitors as stakeholder upon signing of the Formal Agreement for Sale and Purchase on or before 26 September 2005;
- (3) the balance of the consideration of HK\$24,327,000 shall be payable upon Completion.

The initial and further deposits will not be released to the Vendor unless and until the Vendor has proved good title to the Properties.

The consideration was determined after arm's length negotiations between the parties to the Agreement with reference to an analysis undertaken by the Group's property department of the transaction prices for comparable properties in the area in which the Properties are situated, and the current property market prices for industrial buildings of similar nature in the same vicinity. Based on the analysis, the Directors considered that the consideration is comparable with the current market prices. No independent valuation had been conducted on the Properties. The Directors are also of the view that the Acquisition is fair and reasonable and in the best interests of the Company and its shareholders as a whole. We expect that approximately half of the acquisition cost will be funded from the Group's internal resources and the rest will be financed by bank borrowings.

Save as disclosed herein and apart from the purchase of a workshop and a car parking space of Shatin Industrial Centre in April 2005 from an independent third party (not being the Vendor), the Group has not purchased other properties in Shatin Industrial Centre within the past 12 months or from the Vendor, its beneficial owners or their respective associates.

Completion:

Completion shall take place on or before 31 March 2006, provided that the Vendor is entitled to the following options by serving a written notice on Emwell within the period between 1 January 2006 to 31 January 2006:

- (a) to extend the date of Completion to no later than 30 June 2006 and Emwell shall in such event pay a further deposit and part payment of the consideration in the sum of HK\$2,703,000 to the Vendor or the Vendor's Solicitors as stakeholder (as the case may be) within 14 working days from receipt of the said notice; or
- (b) to complete the Acquisition on or before 31 March 2006 but with the right to occupy the Properties under a lease to be granted to the Vendor by Emwell for a term of 3 months from Completion.

Subject to option (b) above, the Vendor shall deliver vacant possession of the Properties to Emwell on Completion.

REASONS FOR THE ACQUISITION

The Company intends to use the Properties for rental purposes and investment purposes. The current market rental for similar properties is around HK\$4 to HK\$6 per sq. ft. and we expect the yield to be approximately 8% p.a. The Directors are of the view that the Acquisition provides a desirable opportunity for the Group to broaden the portfolio of its property investment division.

INFORMATION ON THE COMPANY

The principal business activity of the Company is investment holding. Its subsidiaries are principally engaged in building construction, interior and renovation works, supply and installation of building materials, trading of health products and properties investment and development.

LISTING RULES IMPLICATION OF THE ACQUISITION

The Acquisition contemplated under the Agreement constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules. A circular containing details of the Acquisition will be sent to shareholders of the Company as soon as practicable.

DEFINITIONS

In this announcement, the following terms and expressions (unless the context otherwise requires) shall have the following meanings:

"Acquisition"	the acquisition of the Properties pursuant to the Agreement
"Agreement"	the provisional agreement for sale and purchase entered into between Emwell and the Vendor in relation to the Acquisition
"Company"	Hanison Construction Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
"Completion"	completion of the Acquisition
"Connected person"	has the same meanings ascribed to it in the Listing Rules
"Directors"	the directors of the Company
"Emwell"	Emwell Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Properties"	details of which are set out under the heading "Properties"
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	Molex Hong Kong/China Limited

By order of the Board
Lo Kai Cheong
Company Secretary

Hong Kong, 13 September 2005

As at the date of this announcement, the executive directors of the Company are Mr. Wong Sue Toa, Stewart, Mr. Tai Sai Ho, Dr. Lam Chat Yu and Mr. Shen Tai Hing; the non-executive directors of the Company are Mr. Cha Mou Sing, Payson, Mr. Cha Mou Daid, Johnson and Mr. Cha Yiu Chung, Benjamin; and the independent non-executive directors of the Company are Mr. Chan Pak Joe, Dr. Sun Tai Lun and Dr. Lau Tze Yiu, Peter.