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LIFESTYLE INTERNATIONAL HOLDINGS LIMITED

利福國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1212)

MAJOR TRANSACTION ACQUISITION OF LAND BY PUBLIC TENDER

On 23 November 2016, Leader Bright, an indirectly wholly-owned subsidiary of the Company, received a notice from the Lands Administration Office of the Lands Department of the Government of Hong Kong in relation to the acceptance of the tender submitted by Leader Bright for the Land located at New Kowloon Inland Lot No. 6557, Kai Tak Area 1E Site 2, Kai Tak, Kowloon, Hong Kong at a premium of HK\$7,388,000,000.

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 25% but less than 100%, the Acquisition constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Since no Shareholder has a material interest in the Acquisition and none of the Shareholders would be required to abstain from voting if a general meeting were to be convened by the Company to approve the Acquisition, a written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Mr. Lau, United Goal and Dynamic Castle, who together constitute a closely allied group of Shareholders holding in aggregate 828,401,792 Shares, representing approximately 51.69% of the total issued share capital of the Company as at the date of this announcement, have given their written approval for the Acquisition. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Acquisition.

The circular containing further information in relation to the Acquisition is expected to be despatched to the Shareholders for information purpose on or before 14 December 2016.

INTRODUCTION

The Board is pleased to announce that on 23 November 2016, Leader Bright, an indirectly wholly-owned subsidiary of the Company, received a notice from the Lands Administration Office of the Lands Department of the Government of Hong Kong in relation to the acceptance of the tender submitted by Leader Bright for the Land located at New Kowloon Inland Lot No. 6557, Kai Tak Area 1E Site 2, Kai Tak, Kowloon, Hong Kong at a premium of HK\$7,388,000,000.

DETAILS OF THE TENDER AND THE ACQUISITION

Parties

- (1) The Government of Hong Kong, as the vendor of the Land, an Independent Third Party; and
- (2) Leader Bright, an indirect wholly-owned subsidiary of the Company, as the tenderer of the Land

Information of the Land

Location:	New Kowloon Inland Lot No. 6557, Kai Tak Area 1E Site 2, Kai Tak, Kowloon, Hong Kong
Term of lease:	50 years commencing from the date of the memorandum of agreement
Site area:	Approximately 14,159 sq.m.
Minimum and maximum permissible gross floor area:	Approximately 61,167 sq.m. and 101,944 sq.m. respectively
Maximum site coverage:	Not exceeding 65% of the area of the Land
Permitted use:	Non-industrial (excluding residential, godown, and petrol filling station) purposes
Building design:	The Land should be developed into twin towers in pair with identical building height, facade and architectural treatment to serve as an iconic gateway of the Kai Tak City Centre
Assignment restriction:	The Land and the buildings erected thereon may only be assigned as a whole after compliance with the conditions of the conditions of sale of the Land
Annual rent:	An annual rent of an amount equal to 3% of the rateable value from time to time of the Land

Premium and Payment Terms

The premium of the Land is HK\$7,388,000,000.

A sum of HK\$25,000,000 paid by Leader Bright as the deposit at the time of submission of the tender has been applied in part payment of the premium.

The memorandum of agreement for the Acquisition will be signed between the Government of Hong Kong and Leader Bright within 14 days from 23 November 2016. The balance of the premium will be payable within 28 days from 23 November 2016, upon which completion of the Acquisition will take place.

The premium payable by Leader Bright has been or will be financed by the Group's internal resources and bank borrowings.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the operation of "lifestyle" department stores and other retailing format and property development and property investment.

The Group has long been looking for a sizable property in the Kowloon Peninsula in Hong Kong for the establishment and operation of a full-fledged department store to take advantage of and leverage on the leading position and management skills of the Group's department stores in Causeway Bay and Tsim Sha Tsui. The Acquisition will provide sufficient space for the Group to operate a full-fledged department store and other facilities which are complementary to the department store operations. The Acquisition is in line with the business strategy and expansion plan of the Group.

The Directors consider that the Acquisition is in the interests of the Company and the Shareholders as a whole and the terms thereof are on normal commercial terms, which are fair and reasonable.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios in respect of the Acquisition exceeds 25% but less than 100%, the Acquisition constitutes a major transaction of the Company and is subject to the reporting, announcement and shareholders' approval requirement under Chapter 14 of the Listing Rules.

Since no Shareholder has a material interest in the Acquisition and none of the Shareholders would be required to abstain from voting if a general meeting were to be convened by the Company to approve the Acquisition, a written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. Mr. Lau, United Goal and Dynamic Castle, who together constitute a closely allied group of Shareholders holding in aggregate 828,401,792 Shares, representing approximately 51.69% of the total issued share capital of the Company as at the date of this announcement, have given their written approval for the Acquisition. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Acquisition.

The circular containing further information in relation to the Acquisition is expected to be dispatched to the Shareholders for information purpose on or before 14 December 2016.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Acquisition”	the acquisition of the Land by Leader Bright through public tender
“Board”	the board of Directors
“Company”	Lifestyle International Holdings Limited, a company incorporated in the Cayman Islands whose shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Dynamic Castle”	Dynamic Castle Limited, a company wholly-owned by Mr. Lau
“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 People’s Republic of China
“Independent Third Party”	third party independent of the Company and its connected persons (as defined in the Listing Rules)
“Land”	the plot of land located at New Kowloon Inland Lot No. 6557, Kai Tak Area 1E Site 2, Kai Tak, Kowloon, Hong Kong
“Leader Bright”	Leader Bright Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lau”	Mr. Lau Luen Hung, Thomas, non-executive Director
“Share(s)”	share(s) of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	the registered holder(s) of the Share(s)
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“United Goal”

United Goal Resources Limited, a company which is ultimately owned as to 80% by Mr. Lau through Asia Prime Assets Limited and as to 20% by a family trust of which Mr. Lau Luen Hung, Joseph and certain of his family members are eligible beneficiaries

“%”

per cent

By order of the Board
Lifestyle International Holdings Limited
Poon Fuk Chuen
Company Secretary

Hong Kong, 23 November 2016

As at the date of this announcement, the Board comprises Ms. Lau Kam Shim as executive director; Mr. Lau Luen Hung, Thomas, Mr. Doo Wai Hoi, William and Ms. Lau Yuk Wai, Amy as non-executive directors; Mr. Lam Siu Lun, Simon, The Hon. Shek Lai Him, Abraham, Mr. Hui Chiu Chung and Mr. Ip Yuk Keung as independent non-executive directors.