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SINO-OCEAN

**遠洋地產控股有限公司**

**Sino-Ocean Land Holdings Limited**

*(Incorporated in Hong Kong*

*with limited liability)*

(Stock Code: 3377)

**KSH**

**Kee Shing**

**(Holdings) Limited**

**奇盛(集團)有限公司**

*(Incorporated in Hong Kong*

*with limited liability)*

(Stock Code: 174)

**Merit Gala Limited**

*(Incorporated in BVI*

*with limited liability)*

## **COMPLETION OF GROUP REORGANISATION AND THE AGREEMENT**

Completion of the Group Reorganisation and the Agreement took place on 14 October 2010.

In accordance with the terms of the Agreement, the consideration for the Sale Shares has been adjusted to HK\$509,697,127, equivalent to approximately HK\$1.658 per Sale Share. Accordingly, the offer price for each Kee Shing Share under the Kee Shing Offer has also been finalised at HK\$1.658.

BNP Paribas Capital will, on behalf of Sino-Ocean, make the Kee Shing Offer to the Independent Shareholders for all the Kee Shing Shares not already owned or agreed to be acquired by the Sino-Ocean Concert Group. Optima Capital will, on behalf of Merit Gala, make an unconditional voluntary cash offer to the shareholders of KSL to acquire all the KSL Shares (including those held by Tien Fung Hong Group Limited, Snowdon International Limited, Mr. Leung Chung Ping and Ms. Leung Miu Kam) not already owned or agreed to be acquired by Merit Gala and parties acting in concert with it. Both the composite and response documents in respect of the Kee Shing Offer and the KSL Offer, respectively, will be despatched to the Independent Shareholders on or before 21 October 2010 in accordance with the Takeovers Code. Further announcement will be made after the composite and response documents have been despatched.

Reference is made to the joint announcement of Kee Shing, Sino-Ocean Land and Merit Gala dated 7 July 2010 and the circular of Kee Shing dated 13 September 2010 in relation to, among other things, the Group Reorganisation, the Agreement, the Kee Shing Offer and the KSL Offer (the "Circular"). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Circular.

## **COMPLETION OF THE GROUP REORGANISATION AND THE AGREEMENT**

The Board is pleased to announce that completion of the Group Reorganisation and the Agreement took place on 14 October 2010.

According to the terms of the Agreement and as disclosed in the Circular, the consideration for the Sale Shares is subject to adjustment with reference to the value of the Portfolio on the Valuation Date and the net cash proceeds which may be obtained by a realisation or disposal of any of such investment securities in the Portfolio before the Valuation Date in the following manner:

- (1) if the Portfolio Value is more than HK\$60,000,000 (the "Reference Value"), adding to the consideration 69.02246% of a sum equal to the excess of the Portfolio Value over the Reference Value; or
- (2) if the Portfolio Value is less than the Reference Value, deducting from the consideration 69.02246% of a sum equal to the excess of the Reference Value over the Portfolio Value.

As at 11 October 2010, being the Valuation Date, the total value of the Portfolio was approximately HK\$111,451,083. In accordance with the terms of the Agreement, the consideration for the Sale Shares has been adjusted to HK\$509,697,127, equivalent to approximately HK\$1.658 per Sale Share. As set out in the Circular, in the event that the Adjusted Price is higher than HK\$1.542, the offer price for each Kee Shing Share under the Kee Shing Offer will be adjusted upward to an amount equal to the Adjusted Price. As the Adjusted Price has been finalised at HK\$1.658 per Sale Share, the offer price for each Kee Shing Share under the Kee Shing Offer has also been finalised at HK\$1.658.

Two KSL Shares were issued upon the incorporation of KSL on 26 January 2010. Pursuant to the Group Reorganisation, 445,499,998 KSL Shares were allotted and issued and as a result, as at the date of this announcement, there are a total of 445,500,000 KSL Shares in issue. These KSL Shares have been distributed in specie to the Kee Shing Shareholders whose names appeared on the register of members of Kee Shing on 7 October 2010, being the record date for the purpose of determining entitlements to the Distribution in Specie, on the basis of one KSL Share for each Kee Shing Share then held. Share certificates of KSL will be posted after the close of the KSL Offer and only to the shareholders of KSL who do not accept the KSL Offer in order to avoid confusion and to enhance efficiency.

## **THE KEE SHING OFFER AND THE KSL OFFER**

Upon Completion, the Sino-Ocean Concert Group has become interested in 307,495,075 Kee Shing Shares, representing approximately 69.02% of the issued share capital of Kee Shing. Accordingly, pursuant to Rule 26 of the Takeovers Code, the Sino-Ocean Concert Group is required to make an unconditional mandatory cash offer for all the Kee Shing Shares other than those already owned or agreed to be acquired by the Sino-Ocean Concert Group. BNP Paribas Capital will, on behalf of Sino-Ocean, make the Kee Shing Offer to the Independent Shareholders.

Upon completion of the Group Reorganisation, Merit Gala and parties acting in concert with it have become interested in a total of 339,109,075 KSL Shares, representing approximately 76.12% of the issued share capital of KSL. Optima Capital will, on behalf of Merit Gala, make an unconditional voluntary cash offer to the shareholders of KSL to acquire all the KSL Shares (including those held by Tien Fung Hong Group Limited, Snowdon International Limited, Mr. Leung Chung Ping and Ms. Leung Miu Kam) not already owned or agreed to be acquired by Merit Gala and parties acting in concert with it.

Both the composite and response documents in respect of the Kee Shing Offer and the KSL Offer, respectively, will be despatched to the Independent Shareholders on or before 21 October 2010 in accordance with the Takeovers Code. Further announcement will be made after the composite and response documents have been despatched.

By order of the board  
**SINO-OCEAN LAND  
HOLDINGS LIMITED**  
**Adrian Sum**  
*Company Secretary*

By order of the board  
**KEE SHING (HOLDINGS)  
LIMITED**  
**Leung Shu Wing**  
*Chairman*

By order of the board  
**MERIT GALA LIMITED**  
**Leung Shu Wing**  
*Director*

Hong Kong, 14 October 2010

*As at the date of this announcement, the directors of Sino-Ocean Land are as follows:*

*Executive directors:*

Mr. Li Ming  
Mr. Wang Xiaoguang  
Mr. Chen Runfu

*Non-executive directors:*

Ms. Liu Hui  
Mr. Liang Yanfeng  
Mr. Wang Xiaodong

*Independent non-executive  
directors:*

Mr. Tsang Hing Lun  
Mr. Gu Yunchang  
Mr. Han Xiaojing  
Mr. Zhao Kang

*As at the date of this announcement, the directors of Kee Shing are as follows:*

<i>Executive directors:</i>	<i>Non-executive director:</i>	<i>Independent non-executive directors:</i>
Mr. Leung Shu Wing (Chairman)	Mr. Yuen Tin Fan	Mr. Wong Kong Chi
Ms. Leung Miu King (Managing Director)		Mr. Lai Chung Wing, Robert
Mr. Wong Chi Kin		Mr. Chan Wing Lee
Mr. Wong Choi Ying		

*As at the date of this announcement, the directors of Merit Gala are as follows:*

Mr. Leung Shu Wing  
Ms. Leung Miu King

*The directors of Sino-Ocean Land jointly and severally accept full responsibility for the accuracy of the information contained in this announcement other than those relating to Merit Gala, the Sellers Concert Group and the Kee Shing Group and confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement other than those expressed by the directors of Merit Gala, the Sellers Concert Group and the Kee Shing Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*The directors of Merit Gala jointly and severally accept full responsibility for the accuracy of the information contained in this announcement other than those relating to the Sino-Ocean Group and the Kee Shing Group and confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement other than those expressed by the directors of the Sino-Ocean Group and the Kee Shing Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*The directors of Kee Shing jointly and severally accept full responsibility for the accuracy of the information contained in this announcement other than those relating to the Sino-Ocean Group, Merit Gala and the Sellers Concert Group and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement other than those expressed by the directors of the Sino-Ocean Group, Merit Gala and the Sellers Concert Group have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*