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Chuang's Consortium International Limited

(莊士機構國際有限公司)

(incorporated in Bermuda with limited liability)

(Stock Code: 367)

MAJOR TRANSACTION DISPOSAL OF PROPERTY

The Directors announced that on 3 December 2010, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser in relation to the disposal of the Property.

As one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules is more than 25% and below 75%, the Disposal 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.

A circular containing, among other things, further information regarding the Disposal and a valuation of the Property will be despatched to the Shareholders on or before 24 December 2010 in accordance with the Listing Rules.

INTRODUCTION

The Directors announced that on 3 December 2010, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser in relation to the disposal of the Property.

THE AGREEMENT

Date: 3 December 2010.

The Vendor: Chuang's Finance & Investments Limited, a wholly-owned subsidiary of the Company.

The Purchaser: Beyond Best Holdings Limited.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser and the ultimate beneficial owner(s) of the Purchaser are Independent Third Parties.

Property: House C, No. 37 Island Road, Deep Water Bay, Hong Kong.

Consideration and payment terms: The consideration for the Property is HK\$435 million, which was agreed between the parties based on arm's length negotiation. The Directors consider that the consideration is fair and reasonable after taking into account the market prices of similar properties in nearby areas.

The Purchaser has paid to the Vendor an initial deposit of HK\$10 million upon signing of the Agreement and shall pay a further deposit of HK\$55.25 million on or before 16 December 2010.

The remaining balance of the consideration in the amount of HK\$369.75 million shall be paid by the Purchaser to the Vendor on the date of completion of the Disposal.

Condition and completion: Completion of the sale and purchase of the Property is subject to and conditional upon the due compliance of all requirements which the Vendor and/or the Company are required to comply with under the Listing Rules.

It is currently expected that completion of the Disposal will take place on 16 February 2011, upon which vacant possession of the Property shall be delivered by the Vendor.

INFORMATION ON THE PROPERTY

The Property is a house developed by the Group which has a total area of about 10,244 square feet (comprising house area, covered car parking area, garden area and a private swimming pool). The Property is held by the Group as an investment property and the Property is currently vacant. The net profits attributable to the Property before and after taxation and extraordinary items for the year ended 31 March 2010 amounted to approximately HK\$134.2 million and HK\$120.1 million, respectively. The Property did not generate any profits before and after taxation and extraordinary items for the year ended 31 March 2009.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Directors consider that the current market presents a good opportunity for the Group to realise its investment in the Property. The net proceeds from the Disposal of approximately HK\$419 million will be applied towards repayment of the bank loan and for use as general working capital of the Group. Accordingly, the Disposal will enable the Group to reduce its borrowings and increase its working capital, and will improve the liquidity and strengthen the overall financial position of the Group.

The book value of the Property as at 30 September 2010 amounted to HK\$267 million. The Company will arrange for valuation of the Property by an independent professional valuer and the valuation of which will be included in a circular to be despatched to the Shareholders in accordance with the Listing Rules. The gain (including revaluation gain, if any) expected to accrue to the Group upon completion of the Disposal is approximately HK\$152 million after deducting the estimated expenses in relation to the Disposal.

The Directors consider that the terms of the Disposal are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules is more than 25% and below 75%, the Disposal constitutes a major transaction of the Company under Chapter 14 of the Listing Rules. Pursuant to the Listing Rules, shareholders' approval is required for the Disposal. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders have any material interest in the Disposal. As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Disposal, pursuant to Rule 14.44 of the Listing Rules, in lieu of holding a general meeting, shareholders' written approval has been obtained on 3 December 2010 from EHL, HAL and HKI, being a closely allied group of Shareholders holding 630,421,301, 70,140,565 and 182,364,404 shares in the Company, respectively as at the date of this announcement, representing a total of approximately 56.7% of the entire issued share capital of the Company, approving the Disposal.

EHL is a company wholly-owned by Mr. Chuang, a Director and the Chairman of the Company. HAL is a company wholly-owned by Mrs. Siu, a Director and the Vice Chairman of the Company, and a sister of Mr. Chuang. The shares in the Company held by HKI are held on trust of which Mr. Chuang and Mrs. Siu are discretionary objects.

A circular containing, among other things, further information regarding the Disposal and a valuation of the Property will be despatched to the Shareholders on or before 24 December 2010 in accordance with the Listing Rules.

INFORMATION ABOUT THE GROUP AND THE PURCHASER

The principal business activities of the Group are property development and investment, investments in manufacturing businesses and securities investments, and that of the Purchaser is investment holding.

DEFINITIONS

“Agreement”	the provisional sale and purchase agreement dated 3 December 2010 and entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Company”	Chuang’s Consortium International Limited, a company incorporated in Bermuda and the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Disposal”	disposal of the Property by the Vendor to the Purchaser
“EHL”	Evergain Holdings Limited, a company wholly-owned by Mr. Chuang
“Group”	the Company and its subsidiaries
“HAL”	Hilltop Assets Limited, a company wholly-owned by Mrs. Siu
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKI”	H.K. International Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	persons who are not connected persons (as defined in the Listing Rules) of the Company and are third parties independent of and not connected with the Company or its connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Chuang”	Mr. Alan Chuang Shaw Swee
“Mrs. Siu”	Mrs. Alice Siu Chuang Siu Suen
“Property”	House C, No. 37 Island Road, Deep Water Bay, Hong Kong

“Purchaser”	Beyond Best Holdings Limited
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Chuang’s Finance & Investments Limited, a wholly-owned subsidiary of the Company
“%”	per cent.

By Order of the Board of
Chuang’s Consortium International Limited
Ko Sheung Chi
Managing Director

Hong Kong, 3 December 2010

As at the date of this announcement, Mr. Alan Chuang Shaw Swee, Mrs. Alice Siu Chuang Siu Suen, Mr. Ko Sheung Chi, Mr. Albert Chuang Ka Pun, Mr. Lui Lop Kay and Mr. Wong Chung Wai are Executive Directors and Dr. Peter Po Fun Chan, Mr. Abraham Shek Lai Him and Mr. Fong Shing Kwong are Independent Non-Executive Directors of the Company.