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WING TAI PROPERTIES LIMITED

永泰地產有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 369)

CONNECTED TRANSACTION INCREASE OF TOTAL COMMITMENT FOR A JOINT VENTURE

Summary

On 23 April 2008, the Company, WTMB and the JV Company entered into the JV Agreement in relation to the JV Company for the purposes of acquiring the Development and operating the Development as a serviced apartment block. It was estimated as at the date of the JV Agreement that the total commitment of the Group to the JV Company would not exceed RM103,500,000 or HK\$258,750,000 (the "Original Estimate of Commitment").

On the basis of the Original Estimate of Commitment, the JV Agreement constituted a discloseable transaction of the Company and was subject to the announcement requirement and the then circular requirement under Chapter 14 of the Listing Rules. The Company made an announcement dated 24 April 2008 (the "Original Announcement") and dispatched a circular dated 22 May 2008 (the "Circular") accordingly.

As WTHL is a controlling shareholder of the Company and WTMB is a subsidiary of WTHL, WTMB is a connected person of the Company under the Listing Rules and the JV Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. On the basis of the Original Estimate of Commitment, the JV Agreement was subject to the reporting and announcement requirements and the approval of the Independent Shareholders under Chapter 14A of the Listing Rules. The Company made the Original Announcement, dispatched the Circular and held a special general meeting on 6 June 2008 (the "SGM") to seek the Independent Shareholders' approval of the JV Agreement accordingly. The JV Agreement was approved by the Independent Shareholders at the SGM.

It is estimated that the total commitment of the Group to the JV Company will be increased by no more than RM15,500,000 (the "Further Commitment") to no more than RM119,000,000 (the "Revised Estimate of Commitment").

On the basis of the Revised Estimate of Commitment, the JV Agreement constitutes a discloseable transaction of the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules. As the Company has made the Original Announcement, no further announcement is required to be made under Chapter 14 of the Listing Rules.

As the applicable percentage ratios in respect of the Further Commitment exceed 0.1%

but less than 5%, the making of the Further Commitment is subject to the reporting and announcement requirements but is exempted from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Background

On 23 April 2008, the Company, WTMB and the JV Company entered into the JV Agreement in relation to the JV Company for the purposes of acquiring the Development and operating the Development as a serviced apartment block. It was estimated as at the date of the JV Agreement that the total commitment of the Group to the JV Company would not exceed RM103,500,000 or HK\$258,750,000 (the "Original Estimate of Commitment").

On the basis of the Original Estimate of Commitment, the JV Agreement constituted a discloseable transaction of the Company and was subject to the announcement requirement and the then circular requirement under Chapter 14 of the Listing Rules. The Company made an announcement dated 24 April 2008 (the "Original Announcement") and dispatched a circular dated 22 May 2008 (the "Circular") accordingly.

As WTHL is a controlling shareholder of the Company and WTMB is a subsidiary of WTHL, WTMB is a connected person of the Company under the Listing Rules and the JV Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. On the basis of the Original Estimate of Commitment, the JV Agreement was subject to the reporting and announcement requirements and the approval of the Independent Shareholders under Chapter 14A of the Listing Rules. The Company made the Original Announcement, dispatched the Circular and held a special general meeting on 6 June 2008 (the "SGM") to seek the Independent Shareholders' approval for the JV Agreement accordingly. The JV Agreement was approved by the Independent Shareholders at the SGM.

Increase of Total Commitment

As at 28 February 2013, the Group has invested and provided financial assistance in and to the JV Company within the Original Estimate of Commitment. It is estimated that the total commitment of the Group to the JV Company will be increased by no more than RM15,500,000 (the "Further Commitment") to no more than RM119,000,000 (the "Revised Estimate of Commitment"). The Further Commitment is estimated with reference to the estimated increase in the costs of converting the Development into serviced apartments due to the design enhancement, material costs inflation and the extension of the Development period. The Group intends to fund the Further Commitment from its internal resources and/or bank borrowings. The directors (including the independent non-executive directors) of the Company consider that the making of the Further Commitment is fair and reasonable and in the interests of the Company and its shareholders as a whole.

As Messrs. Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward and Cheng Man Piu, Francis are interested in the share capital of WTHL and are hence deemed to be materially interested in the matter, they abstained from voting on the board resolution approving the Further Commitment.

Reasons for Increase of Total Commitment

The Board is positive about the property market in Malaysia, especially the high-end residential and serviced apartment sectors. The Board believes that the provision of the serviced apartments through the JV Company following the completion of conversion of the Development will not only enhance the Group's assets portfolio but will also strengthen the edge of the Group in the serviced apartment market in Malaysia.

The Development is expected to be completed and to commence operation in the second half of 2013. The increase of total commitment is mainly attributable to the increase in costs of converting the Development into serviced apartments due to the design enhancement, material costs inflation and the extension of the Development period.

Listing Rules Implications

On the basis of the Revised Estimate of Commitment, the JV Agreement constitutes a discloseable transaction of the Company and is subject to the announcement requirement under Chapter 14 of the Listing Rules. As the Company has made the Original Announcement, no further announcement is required to be made under Chapter 14 of the Listing Rules.

As the applicable percentage ratios in respect of the Further Commitment exceed 0.1% but less than 5%, the making of the Further Commitment as a connected transaction of the Company, is subject to the reporting and announcement requirements but is exempted from the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Information about WTMB and the Company

WTMB is a company incorporated in Malaysia and its principal activity is investment holding. Through its subsidiaries, WTMB is involved in property development and investment, retail, garment manufacturing and trading and investment holding.

The Company is an investment holding company. Its principal subsidiaries are engaged in property development, property investment and management, hospitality investment and management, garment manufacturing and investing activities.

DEFINITIONS

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

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| “Board” | means the board of directors of the Company; |
| “Company” | means Wing Tai Properties Limited (formerly known as USI Holdings Limited), a company incorporated in Bermuda with limited liability the issued shares of which are listed on the Stock Exchange; |

“Development”	means a building at Geran No. 49875 Lot 1315 Seksyen 57, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan, Kuala Lumpur, Malaysia;
“Group”	means the Company and its subsidiaries;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Independent Shareholders”	means the shareholders other than WTHL and its associates;
“JV Agreement”	means the joint venture and shareholders’ agreement entered into by the Company, WTMB and the JV Company on 23 April 2008;
“JV Company”	means Kualiti Gold Sdn Bhd, a company incorporated in Malaysia;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;
“RM”	means Ringgit Malaysia, being the lawful currency of Malaysia;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“WTHL”	means Wing Tai Holdings Limited, a company incorporated in Singapore, which is a controlling shareholder of the Company;
“WTMB”	means Wing Tai Malaysia Berhad (formerly known as DNP Holdings Berhad), a company incorporated in Malaysia with limited liability the issued shares of which are listed on the Main Board of Bursa Malaysia Securities.

By Order of the Board
Wing Tai Properties Limited
Fung Ching Man, Janet
Company Secretary and Chief Financial Officer

Hong Kong, 28 March 2013

As at the date of this announcement, the directors of the Company are:

Executive Directors:

Cheng Wai Chee, Christopher, Cheng Wai Sun, Edward, Cheng Man Piu, Francis, Chow Wai Wai, John and Au Hing Lun, Dennis

Non-Executive Directors:

Kwok Ping Luen, Raymond, Yung Wing Chung (also an alternate to Kwok Ping Luen, Raymond), Hong Pak Cheung, William, Ng Tak Wai, Frederick and Chen Chou Mei Mei, Vivien

Independent Non-Executive Directors:

Simon Murray, Fang Hung, Kenneth, Yeung Kit Shing, Jackson, Haider Hatam Tyebjee Barma and Cheng Hoi Chuen, Vincent