

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



STYLAND HOLDINGS LIMITED

大凌集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 211)

**(1) CONNECTED TRANSACTION:
THE ENTERING INTO THE SETTLEMENT AGREEMENT
AND
(2) DISCLOSEABLE AND CONNECTED TRANSACTION:
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL
OF FULL BRIGHT GLOBAL LIMITED**

On 26 June 2012 (after trading hours), the Company, Mr. Cheung and Ms. Yeung entered into the Settlement Agreement which sets out the terms agreed between the parties thereto in relation to the Settlement.

Pursuant to the Settlement Agreement, on 26 June 2012 (after trading hours), the Company, KC Asset, Mr. Cheung and Ms. Yeung entered into the Sale and Purchase Agreement, pursuant to which KC Asset would transfer to the Company the Full Bright Shares and the Full Bright Loan at a consideration of HK\$82,616,623 with Mr. Cheung and Ms. Yeung acting as guarantors for the obligations of KC Asset under the Sale and Purchase Agreement.

The Settlement constitutes a connected transaction on the part of the Company under the Listing Rules while the Transfer constitutes a discloseable and connected transaction on the part of the Company under the Listing Rules and both are subject to the reporting, announcement and Independent Shareholders' approval requirements. A circular containing, among other matters, further details of the Settlement and the Transfer and a notice to convene the SGM will be despatched to the Shareholders in compliance with the Listing Rules.

Reference is made to the announcements of the Company dated 7 December 2011 and 7 March 2012 in relation to, among others, the SFC Petition (as defined in the said announcements) and the Judgment thereof.

* *For identification purpose only*

Reference is also made to the announcement of the Company dated 7 June 2012 in which the Board announced that the Company had entered into the Term Sheet with Mr. Cheung and Ms. Yeung in relation to the Settlement. Upon further arm's length negotiations between the relevant parties, (i) the Company has on 26 June 2012 entered into the Settlement Agreement with Mr. Cheung and Ms. Yeung in relation to the Settlement; and (ii) the Company has on 26 June 2012 entered into the Sale and Purchase Agreement with KC Asset and Mr. Cheung and Ms. Yeung in relation to the transfer of the Full Bright Shares and the assignment of Full Bright Loan as contemplated under the Settlement Agreement. Details of the Settlement Agreement and the Sale and Purchase Agreement are set out in this announcement.

THE SETTLEMENT AGREEMENT

Date: 26 June 2012 (after trading hours)

Parties:

- (1) the Company
- (2) Mr. Cheung
- (3) Ms. Yeung

Mr. Cheung is a substantial Shareholder and the father of Mr. Cheung Hoo Win, who is an executive Director and the chief executive officer of the Company. Ms. Yeung is the spouse of Mr. Cheung. As such, Mr. Cheung and Ms. Yeung are connected persons of the Company as defined under Chapter 14A of the Listing Rules.

Background of the Settlement

Pursuant to the Order, Mr. Cheung was ordered, among other things, to pay to the Company the Cheung's Judgment Debt comprising a total sum of HK\$79,000,000 with interest thereon and Ms. Yeung was ordered, among other things, to pay to the Company the Yeung's Judgment Debt comprising a sum of HK\$6,950,000 with interest thereon. On 7 June 2012, the Company entered into the Term Sheet with Mr. Cheung and Ms. Yeung which sets out the principal terms of the Settlement.

Please refer to the announcements of the Company dated 7 December 2011, 7 March 2012 and 7 June 2012 for further details of the background of the Settlement.

Consideration

In consideration of the Company's forbearance to initiate enforcement proceedings against the Paying Parties for execution of the Order to recover the Judgment Debts, the Paying Parties irrevocably covenant with the Company that the Paying Parties shall settle the Judgment Debts in the manner as set out in the Settlement Agreement.

As at the date of the Order, the total amount of the Judgment Debts was HK\$190,628,975.21, and Cheung's Further Judgment Interest and Yeung's Further Judgment Interest would continue to accrue after the date of Order until the respective full settlement of Cheung's Principal and Yeung's Principal.

Manner of Settlement

Pursuant to the Settlement Agreement, Mr. Cheung and Ms. Yeung would settle the Judgment Debts in the manner as follows:

- (1) Upon the signing of the Term Sheet, the Paying Parties have paid the Company a sum of HK\$10,000,000 in cash, which shall not be refundable in any circumstances, in partial satisfaction of Yeung's Judgment Debt, which shall be applied to settle, first, Yeung's Principal, and then Yeung's Judgment Interest.
- (2) Subject to and immediately upon the fulfillment of the conditions set out below, Mr. Cheung and the Company shall execute the Deed of Set Off on the date upon the fulfillment of the conditions set out below (or such other date as the parties thereto may agree), pursuant to which Mr. Cheung's Loan owed by the Company to Mr. Cheung shall be applied to set off on a dollar to dollar basis against, first, the remaining balance of Yeung's Judgment Interest and Yeung's Further Judgment Interest, and any balance thereof shall then be applied to partially set off against Cheung's Principal, irrespective of the maturity date of Mr. Cheung's Loan.
- (3) Subject to the fulfillment of the conditions set out below and the terms and conditions of the Sale and Purchase Agreement and notwithstanding the liabilities of Mr. Cheung and Ms. Yeung under the Settlement Agreement are several and not joint, the Paying Parties shall procure KC Asset to transfer to the Company and/or its nominee(s) the Full Bright Shares and the Full Bright Loan within one (1) month upon the fulfillment of the conditions set out below at a consideration of HK\$82,616,623 in accordance with the terms and conditions of the Sale and Purchase Agreement, which said consideration payable by the Company shall be settled by way of set off against first, Cheung's Principal or any outstanding balance thereof, and (in respect of any balance thereof) in partial satisfaction of Cheung's Judgment Interest.
- (4) Upon full settlement of Yeung's Judgment Debt pursuant to (1) and (2) above, and upon Completion of the Transfer, Ms. Yeung's liability and obligation to perform under the Settlement Agreement shall be fulfilled and discharged, save for the obligations, including but not limited to the covenants, warranties and undertakings given by the Paying Parties, under the Settlement Agreement and the Sale and Purchase Agreement.
- (5) Upon completion of the set-off as stipulated in (2) above, and upon Completion of the Transfer, Mr. Cheung shall pay to the Company the remaining balance of Cheung's Judgment Interest and Cheung's Further Judgment Interest in cash by the following three (3) instalments:
 - (i) Within 4 months immediately after Completion of the Transfer — HK\$20,000,000;
 - (ii) Within 8 months immediately after Completion of the Transfer — HK\$20,000,000; and
 - (iii) Within 12 months immediately after Completion of the Transfer — approximately HK\$48,152,494.68 and Cheung's Further Judgment Interest calculated up to the date of payment.

All payments made or to be made by the Paying Parties under the Settlement Agreement shall be made in cleared funds, without any deduction and free and clear of and without deduction for or on account of any taxes, levies, imports, duties, charges, fees and withholdings of any nature now or hereafter imposed by any governmental or other authority save as required by law.

Due Diligence Review

The Company shall and shall procure that its advisors and agents, forthwith upon the entering into of the Settlement Agreement, conduct such review of the assets, liabilities, operations and affairs of Full Bright, Treasure Profit and the Commercial Property as it may consider appropriate and the Paying Parties and its advisors and agents shall provide and procure Full Bright, Treasure Profit and their agents to provide such assistance as the Company and its advisor and agents may require in connection with such review.

Conditions

The Settlement Agreement and the Settlement contemplated thereunder shall be conditional upon and subject to the fulfillment of the following conditions:

- (a) the Company being satisfied with the results of the due diligence review to be conducted on Full Bright, Treasure Profit and the Commercial Property;
- (b) the Company being satisfied that there are no title defects to the Commercial Property and it is free from all encumbrances except the two existing tenancies as disclosed in writing to the Company prior to the signing thereof;
- (c) production of written evidence by the Paying Parties to the satisfaction of the Company that all debts and liabilities of Full Bright and Treasure Profit (other than the Full Bright Loan) having been discharged, released, waived or extinguished on or before 15 June 2012;
- (d) all necessary consents and approvals required to be obtained on the part of the Company and the Paying Parties having been obtained and remain in full force and effect at the date of Completion of the Transfer;
- (e) the passing by the Independent Shareholders (other than the Paying Parties and their respective associates and those Shareholders who have a material interest of the transactions contemplated under the Settlement), who are entitled to vote and not required to be abstained from voting under the Listing Rules at the SGM to be convened and held, of resolution(s) to approve the Settlement and the transactions contemplated thereby (including but not limited to the transfer of the Full Bright Shares and the Full Bright Loan under the Sale and Purchase Agreement), and all other consents and acts required to be obtained by the Company under the Listing Rules and/or other applicable laws and regulations having been obtained and completed;
- (f) the obtaining of a valuation report (in such form and substance satisfactory to the Company) from a firm of independent professional valuers appointed by the Company showing the valuation of the Commercial Property to be not less than HK\$83,000,000;

- (g) if required under the Listing Rules, the despatch of the circular of the Company in accordance with the requirements under the Listing Rules;
- (h) the Company being satisfied that there has not been any material adverse change in respect of Full Bright, Treasure Profit and/or the status of the Commercial Property;
- (i) the entering into of the Sale and Purchase Agreement and the Sale and Purchase Agreement having become unconditional (other than the condition of the Settlement Agreement to become unconditional);
- (j) no occurrence of any event of default as set out below and the warranties as set out in the Settlement Agreement remaining true, accurate and complete and not misleading in all respects.

The conditions set out above are incapable of being waived by the parties thereto. If the conditions set out above have not been satisfied or fulfilled on or before 31 August 2012 or such other date as the Company and the Paying Parties may agree, the Settlement Agreement shall cease and terminate and the Company shall be remitted to and be entitled to forthwith exercise and enforce against the Paying Parties and his/her respective assets in respect of the outstanding amount of his/her judgment debt (i.e. Cheung's Judgment Debt or Yeung's Judgment Debt) and any interest accrued thereon and/or any outstanding balance thereof all such rights and remedies as the Company would have been entitled to exercise as if the Settlement Agreement had never been executed.

Events of Default

Without prejudice to the terms set out in the Order, there shall be an event of default if any one of the following events shall have occurred or is continuing:

- (a) the Paying Parties fail to duly perform or observe any of his/her obligations under the Settlement Agreement and/or the Sale and Purchase Agreement;
- (b) any of the representations or warranties by any of the Paying Parties contained in the Settlement Agreement and/or the Sale and Purchase Agreement or made pursuant thereto proves to have been untrue or incorrect when made or deemed to have been made;
- (c) the Paying Parties fail to pay in accordance with the terms of the Settlement Agreement any sums thereunder when they fall due;
- (d) any of the Paying Parties, Treasure Profit and Full Bright becomes bound to repay prematurely any other loan or other obligation for borrowed money by reason of a default by him/her/it or if he/she/it fails to make any payment in respect thereof on a due date for such payment or becomes bound to make payment under any guarantee given by him/her/it by reason of a default by the principal debtor or if he/she/it fails to make any payment in respect thereof on the due date for such payment or any present or future security on or over any asset of any of the Paying Parties, Treasure Profit or Full Bright becomes enforceable;

- (e) any decree or order is made by any competent court adjudging any of the Paying Parties, Treasure Profit or Full Bright insolvent or bankrupt under the insolvency or bankruptcy laws of any jurisdiction to which he/she/it may be subject or any order or application is made for the appointment of any liquidator, receiver, trustee, curator or sequestrator or other similar official of any of the Paying Parties, Treasure Profit or Full Bright in respect of all or a substantial part of his/her/its assets;
- (f) any of the Paying Parties, Treasure Profit or Full Bright becomes insolvent, is unable to, or shall admit inability to pay its debts as they fall due; stops payment to creditors generally; disposes or threatens to dispose of all or a substantial part of his/her/its assets; proposes or takes any action for readjustment, rescheduling, deferral or a moratorium of all or part of his/her/its debts; proposes or enters into any composition, arrangements with or any assignment for the benefit of his/her/its creditors generally;
- (g) a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any part of the assets of any of the Paying Parties, Treasure Profit or Full Bright;
- (h) all necessary consent, approval and authorisation of any governmental and/or regulatory authorities, including but not limited to the approval from the Stock Exchange on the circular and the Independent Shareholders' approval to be obtained by the Company under the Listing Rules, thereof required for or in connection with the execution, delivery, performance, legality, validity, enforceability or admissibility in evidence of the Settlement Agreement and/or the Sale and Purchase Agreement is revoked or withheld or materially modified or otherwise ceases to be in full force and effect;
- (i) the Settlement Agreement and/or the Sale and Purchase Agreement ceases to be in full force and effect or the validity or enforceability thereof or any indebtedness or any other obligation of any of the Paying Parties or other obligor thereunder is disaffirmed by or on behalf of any of the Paying Parties or such obligor;
- (j) any step is taken by any person for the winding-up, liquidation, dissolution or bankruptcy of any of the Paying Parties, Full Bright or Treasure Profit;
- (k) any action or proceeding of or before any court or authority shall be commenced (and not withdrawn or dismissed within a period of twenty-one (21) days after its commencement) to enjoin or restrain the performance of and compliance with any obligations expressed to be assumed by any of the Paying Parties in this Agreement and/or the Sale and Purchase Agreement and/or the Term Sheet or in any event to question the right and power of any of the Paying Parties to enter into, exercise its rights under and perform and comply with any obligations expressed to be assumed by any of them in the Settlement Agreement and/or the Sale and Purchase Agreement or the legality, validity and enforceability of the Settlement Agreement and/or the Sale and Purchase Agreement;
- (l) it is or will become unlawful for any of the Paying Parties to perform or comply with any one or more of its obligations under the Settlement Agreement and/or the Sale and Purchase Agreement;

- (m) there should occur in the reasonable opinion of the Company a material adverse change in the condition (financial or otherwise) of any of the Paying Parties, Full Bright or Treasure Profit;
- (n) anything is done or omitted by any of the Paying Parties which in the reasonable opinion of the Company, materially affects the ability of any of the Paying Parties, Full Bright or Treasure Profit to perform its obligations under the Settlement Agreement and/or the Sale and Purchase Agreement; or
- (o) any event of default under the Settlement Agreement and/or the Sale and Purchase Agreement (including but not limited to any breach of warranties therein) shall have occurred or is continuing.

In each and every case that an event of default occurs, the Company shall be remitted to and be entitled to forthwith exercise and enforce against the Paying Party(ies), whose judgment debt(s) (i.e. Cheung's Judgment Debt or Yeung's Judgment Debt or both, as the case may be) is (are) not fully settled at the material time(s) of the event(s) of default, and his/her assets in respect of the outstanding amount of his/her judgment debt (i.e. Cheung's Judgment Debt or Yeung's Judgment Debt or both, as the case may be) and any interest accrued thereon and/or any outstanding balance thereof all such rights and remedies as the Company would have been entitled to exercise as if the Settlement Agreement had never been entered into.

For the avoidance of doubt, upon, and only upon, Ms. Yeung's fulfillment and discharge of her liability and obligation as stated in (1) to (4) in the manner of settlement above, the occurrence of the above event(s) in respect of Ms. Yeung, being one of the Paying Parties, shall not constitute event(s) of default insofar as Ms. Yeung is concerned.

Several Liabilities

Notwithstanding any of the terms contained in the Settlement Agreement and in the Sale and Purchase Agreement, the liabilities of Mr. Cheung and Ms. Yeung under the Settlement are several and not joint with the other party. In case if any of the Paying Parties fail to honour and/or perform any of the obligations in the Settlement Agreement, the other Paying Party is only responsible to honour and/or perform and is liable up to the outstanding amount of his/her own judgment debt (i.e. either Cheung's Judgment Debt or Yeung's Judgment Debt, as the case may be) as specified under the Order and his/her respective liabilities and obligations as specified in the Settlement Agreement and the Sale and Purchase Agreement.

Costs and Expenses

Mr. Cheung and Ms. Yeung shall bear and reimburse all costs and expenses incurred and to be incurred by the Company in connection with the preparation, negotiation, execution and performance of the Settlement Agreement and all documents incidental or relating to the Settlement.

THE SALE AND PURCHASE AGREEMENT

Pursuant to the terms of the Settlement Agreement, the Paying Parties shall procure KC Asset to transfer to the Company and/or its nominee(s) the Full Bright Shares and the Full Bright Loan within one (1) month upon the fulfillment of the conditions set out in the Settlement Agreement at a consideration of HK\$82,616,623 in accordance with the terms and conditions of the Sale and Purchase Agreement. On 26 June 2012, KC Asset as transferor, the Company as transferee together with Mr. Cheung and Ms. Yeung as several guarantors entered into the conditional Sale and Purchase Agreement in relation to the Transfer.

Date: 26 June 2012 (after trading hours)

Parties: Transferor: (1) KC Asset

Transferee: (2) The Company

Guarantors: (3) Mr. Cheung

(4) Ms. Yeung

The Transferor is interested in the entire issued share capital of Full Bright, the holding company of Treasure Profit, which in turn holds the Commercial Property. The Commercial Property was purchased by Treasure Profit in 2011 with the consideration of HK\$65,000,000. The Transferor is a company incorporated in the British Virgin Islands and is principally engaged in investment holdings. The Guarantors are the ultimate beneficial owners of the Transferor. Each of the Guarantors has agreed to guarantee the performance by the Transferor of its obligations under the Sale and Purchase Agreement subject to and upon the terms and conditions thereof.

Mr. Cheung is a substantial Shareholder and the father of Mr. Cheung Hoo Win, who is an executive Director and the chief executive officer of the Company. Ms. Yeung is the spouse of Mr. Cheung. As such, Mr. Cheung and Ms. Yeung are connected persons of the Company as defined under Chapter 14A of the Listing Rules. As Mr. Cheung and Ms. Yeung are the ultimate beneficial owners of the Transferor, the Transferor is a connected person of the Company and thus the Transfer is a connected transaction as defined under Chapter 14A of the Listing Rules.

Interests to be Acquired

Pursuant to the Sale and Purchase Agreement, the Transferor shall as beneficial owner (i) transfer the Full Bright Shares to the Transferee free from all Encumbrances together with all rights now and thereafter attaching thereto including but not limited to all dividends paid, declared or made in respect thereof at any time on or after the date of the Sale and Purchase Agreement; and (ii) assign the Full Bright Loan to the Transferee free from all Encumbrances together with all rights, title, benefits and interests of the Transferor in the Full Bright Loan with all rights now and hereafter attaching thereto with effect from the date of the Completion of the Transfer.

Consideration

The aggregate consideration for the transfer of the Full Bright Shares and the assignment of the Full Bright Loan shall be the sum of HK\$82,616,623 which said consideration payable by the Transferee shall be settled by way of set off against first, Cheung's Principal or any outstanding balance thereof, and (in respect of any balance thereof) in partial satisfaction of the Cheung's Judgment Interest.

The consideration was determined with reference to the average valuation of the Commercial Property of HK\$85,000,000 according to the valuations from independent professional valuers appointed by the Company, and a discount of HK\$2,000,000, representing 2.4% on the valuation, offered by the Paying Parties. In light of the discount to the valuation, the Directors consider that the consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Due Diligence Review

The Transferee shall and shall procure that its agents and advisors shall forthwith upon the signing of the Sale and Purchase Agreement conduct such review of the assets, liabilities, operations and affairs of the Full Bright Group (including but not limited to the Commercial Property) as it may reasonably consider appropriate and Full Bright and the Transferor shall provide and procure the Full Bright Group and its agents to provide such assistance as the Transferee or its agents may reasonably require in connection with such review.

Conditions

Completion shall be conditional upon and subject to:

- (a) the Transferee being satisfied with the results of the due diligence review to be conducted on the Full Bright Group;
- (b) the Transferee being satisfied that there are no title defects to the Commercial Property and it is free from all Encumbrances (except the two existing tenancies as disclosed in writing to the Transferee prior to the signing thereof);
- (c) production of written evidence by the Transferor to the satisfaction of the Transferee that all debts and liabilities of Full Bright Group (other than the Full Bright Loan and the security deposit under the two respective tenancy agreements referred to in the Sale and Purchase Agreement) having been discharged, released, waived or extinguished on or before 15 June 2012;
- (d) all necessary consents and approvals required to be obtained on the part of the Transferee, the Transferor and the Full Bright Group in respect of the Sale and Purchase Agreement and the transactions contemplated thereby having been obtained and remain in full force and effect;
- (e) if necessary, the passing by the Independent Shareholders of the Transferee (other than Mr. Cheung and Ms. Yeung and their respective associates and those shareholders who have a material interest of the transactions contemplated under the Settlement) who are entitled to vote and not required to be abstained from voting under the Listing Rules at

the SGM of the Transferee to be convened and held of the necessary ordinary resolution(s) to approve the Settlement and the transactions contemplated thereby (including but not limited to the Transfer), and all other consents and acts required to be obtained by the Transferee under the Listing Rules and/or other applicable laws and regulations having been obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules having been obtained from the Stock Exchange;

- (f) the Warranties set out in the Sale and Purchase Agreement remaining true, accurate and complete in all respects;
- (g) the obtaining of a valuation report (in form and substance satisfactory to the Transferee) from a firm of independent professional valuers appointed by the Transferee showing valuation of the Commercial Property to be not less than HK\$83,000,000;
- (h) the despatch of circular by the Transferee as required under the Listing Rules;
- (i) the Transferee being satisfied that there has not been any Material Adverse Change in respect of any member of Full Bright Group since the date of the Sale and Purchase Agreement; and
- (j) the entering into of the Settlement Agreement and the Settlement Agreement having become unconditional (other than the condition of the Sale and Purchase Agreement to become unconditional)

The conditions set out above are incapable of being waived. If the conditions set out above have not been satisfied on or before 31 August 2012, or such later date as the Transferor and the Transferee may agree in writing, the Sale and Purchase Agreement shall cease and terminate and the Transferee shall be remitted to and be entitled to forthwith exercise and enforce against the Transferor and the Guarantors and their respective assets in respect of the full amount of the Judgment Debts and any interest accrued thereon and any outstanding sum under the Judgment Debts or any outstanding balance thereof all such rights and remedies as the Transferee would have been entitled to exercise as if the Sale and Purchase Agreement had never been executed and for the avoidance of doubts, Ms. Yeung's liabilities under the Sale and Purchase Agreement are limited to the outstanding amount of Yeung's Judgment Debt, as specified under the Order but the Transferor and each of the Guarantors shall forthwith indemnify the Transferee all costs, expenses and disbursements which have been incurred by the Transferee in relation to or in connection with the Transfer, including but not limited to the due diligence review to be conducted thereunder and the title checking on the Commercial Property.

Completion

Completion shall take place on the date falling on the third Business Day after the fulfillment of the conditions set out in the Sale and Purchase Agreement, or such later date as the Transferor and the Transferee may agree in writing (but in any event within one (1) month upon the fulfillment of the conditions set out in the Sale and Purchase Agreement).

Several Liabilities

Any reference to an obligation to be performed or warranty to be given or agreement made by the Transferor and/or Mr. Cheung shall be deemed to be an obligation imposed on, a warranty given and an agreement made by each of the Transferor and/or Mr. Cheung jointly and severally and the Transferee shall be at liberty to release, compound with or otherwise vary or agree to vary the liability of, or to grant time or other indulgence, or make other arrangements with each of the Transferor and/or Mr. Cheung without the consent or notice to the others and without prejudicing, affecting the right, remedy and power of the Transferee against the other of them.

The liabilities of Mr. Cheung and Ms. Yeung under the Sale and Purchase Agreement are several and not joint with the other.

Limitation of Liabilities

The Transferor shall not be liable for any claim made by the Transferee under the Sale and Purchase Agreement, including claim that relates to a breach of any warranties therein or request for indemnification unless written notice containing reasonable details of the claim is served on the Transferor and the liability of the Transferor in connection with the warranties therein and the Sale and Purchase Agreement shall cease on the expiration of three months after the date of the completion of the Sale and Purchase Agreement.

The Transferor's and the Guarantors' total aggregate liability in respect of any claim under the Sale and Purchase Agreement (and to the Sale and Purchase Agreement only) shall not exceed HK\$82,616,623, and this shall not be in any event regarded as a limitation or restriction of the rights and remedies available to the Company under the Settlement Agreement and the Order and this shall neither operate as a waiver thereof, nor shall preclude any other or further exercise of the Company or the exercise of any other right(s) or prejudice or affect any right(s) against any of the Guarantors under the Settlement Agreement and the Order, including but not limited to the full recovery of the Judgment Debts.

INFORMATION OF FULL BRIGHT GROUP

Full Bright

Full Bright is a company incorporated in the British Virgin Islands on 15 March 2011 and is an investment holding company.

Set below is the financial information of Full Bright based on its unaudited financial statements:

**For the period from
15 March 2011
(date of incorporation)
to 31 May 2012
(Unaudited)
HK\$**

Loss before taxation	18,596
Loss after taxation	18,596
Net liabilities as at 31 May 2012	18,580

Treasure Profit

Treasure Profit is a company incorporated in Hong Kong on 7 April 2011 and is principally engaged in investment holding. Treasure Profit is the legal owner of the Commercial Property which is currently leased out to two tenants with monthly rentals of HK\$98,895.00 per month and HK\$32,250.00 per month respectively.

Set below is the financial information of Treasure Profit based on its unaudited financial statements:

**For the period from 7
April 2011 (date of
incorporation) to 31 May
2012
(Unaudited)
HK\$**

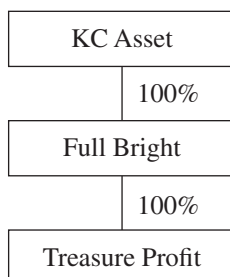
Loss before taxation	757,334
Loss after taxation	757,334
Net liabilities as at 31 May 2012	757,333

After Completion of the Transfer, Full Bright and Treasure Profit shall be treated as wholly-owned subsidiaries of the Group and their results will be consolidated into the consolidated financial statements of the Group.

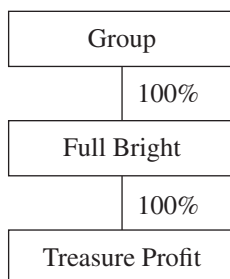
Group Structure

The following charts show the group structure of Full Bright Group as at the date of this announcement and after the Completion of the Transfer:

As at the date of this announcement



Immediately after Completion of the Transfer



REASONS FOR THE SETTLEMENT AND THE TRANSFER

The Company is an investment holding company. The principal activities of the Group consist of investment holdings, securities dealing and broking, financing, trading of securities, general trading and property redevelopment and investment.

The Directors have considered different modes or methods of enforcement of Judgment against Mr. Cheung and Ms. Yeung and have noted that considerable time and financial resources would be needed in the enforcement process while the outcome of enforcement would be uncertain. The Directors consider that the Settlement can save time and financial resources of the Company and is certain in terms of outcome. Upon the Settlement, the Group's resources and efforts can be concentrated on operation and development.

The Settlement Agreement and the Sale and Purchase Agreement were arrived at after arm's length negotiations between the parties thereto. The Company has obtained an average valuation of HK\$85,000,000 on the Commercial Property from independent valuers, whereas the Company has negotiated a discount of HK\$2,000,000, representing a discount of 2.4%. After the Completion of the Transfer, the Company is intended to use the Commercial Property for the Group's securities dealing and broking operations and this will save the rental costs and expenses currently incurred by the Group. Furthermore, in light of the discount of consideration payable by the Company under the Sale and Purchase Agreement

to the valuation of the Commercial Property, the Directors consider that the terms of the Sale and Purchase Agreement are in the interests of the Company and its Shareholders as a whole.

Based on the above, the Board is of the view that the terms of the Settlement, including the terms of the Transfer, are fair and reasonable and the Settlement and the Transfer are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Settlement constitutes a connected transaction on the part of the Company under the Listing Rules while the Transfer constitutes a discloseable and connected transaction on the part of the Company under the Listing Rules and both are subject to the reporting, announcement and Independent Shareholders' approval requirements. A circular containing, among other matters, further details of the Settlement and the Transfer and a notice to convene the SGM will be despatched to the Shareholders in compliance with the Listing Rules.

The Settlement and the Transfer are subject to, among others, the approval by the Independent Shareholders at the SGM. Each of Mr. Cheung and Ms. Yeung and their respective associates are required to abstain from voting at the SGM to approve the Settlement and the Transfer. As at the date of this announcement, Mr. Cheung and Ms. Yeung are interested in 842,790,772 Shares, representing approximately 22.72% of the issued share capital of the Company.

GENERAL

An Independent Board Committee comprising all independent non-executive Directors will be established by the Company to advise the Independent Shareholders in respect of the Settlement Agreement and the Sale and Purchase Agreement and the transactions contemplated thereunder. An Independent Financial Advisor will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard. Donvex Capital Limited has been appointed by the Company as financial advisor to advise the Directors in respect of the Settlement Agreement and the Sale and Purchase Agreement.

It is expected that the circular in relation to the Settlement and the Transfer containing, among other things, (i) further details of the Settlement, (ii) further details of the Transfer, (iii) the letter from the Independent Board Committee, (iv) the letter from the Independent Financial Advisor advising on the Independent Board Committee and the Independent Shareholders as to whether the Settlement and the Transfer are fair and reasonable, and (v) a notice of the SGM, will be despatched to the Shareholders on or before 31 July 2012, as additional time is required for the Company to perform due diligence review on Full Bright, Treasure Profit and the Commercial Property.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are open for business in Hong Kong throughout their normal business hours
“Cheung’s Judgment Debt”	together Cheung’s Principal, Cheung’s Judgment Interest and Cheung’s Further Judgment Interest
“Cheung’s Principal”	the sum of HK\$79,000,000 which Mr. Cheung should pay to the Company pursuant to the Order
“Cheung’s Judgment Interest”	the interest on Cheung’s Principal compounded annually at the rate of 1% above HSBC’s Prime Rate from the respective dates of the transactions concerned until the date of the Order
“Cheung’s Further Judgment Interest”	the interest on Cheung’s Principal accrued annually at judgment rate from the following date of the Order until full payment of Cheung’s Principal
“Company” or “Transferee”	Styland Holdings Limited, a company incorporated in Bermuda with limited liability (stock code: 211) the issued Shares of which are listed on the Stock Exchange
“Commercial Property”	the property located at 23rd Floor (including the lavatories), Far East Consortium Building, 121 Des Voeux Road, Central, Hong Kong
“Completion of the Transfer”	completion of the transfer of the Full Bright Shares and the assignment of the Full Bright Loan in accordance with the terms and conditions of the Sale and Purchase Agreement
“Deed of Set Off”	the deed of set off in approved form to be made between the Company and Mr. Cheung in relation to the set off of Mr. Cheung’s Loan in partial satisfaction of the Judgment Debts
“Directors”	the directors of the Company

“Encumbrances”	any mortgage, charge, pledge, lien, (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same and “Encumber” shall be construed accordingly
“Full Bright”	Full Bright Global Limited, a company incorporated in British Virgin Islands with limited liability, being the sole legal owner of Treasure Profit
“Full Bright Group”	together, Full Bright and Treasure Profit and the expression of “member of the Full Bright Group” shall be construed accordingly
“Full Bright Loan”	all obligations, liabilities and debts owing or incurred by Full Bright and/or Treasure Profit to the Paying Parties and/or KC Asset and their respective associates on or at any time prior to Completion of Transfer whether actual contingent or deferred and irrespective of whether the same is due and payable on Completion of Transfer, which as at 31 May 2012, amounted to approximately HK\$67,958,172
“Full Bright Shares”	2 issued shares of Full Bright, being the entire issued share capital of Full Bright
“Independent Board Committee”	an independent board committee of the Company, comprising Mr. Zhao Qingji, Mr. Yeung Shun Kee, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip, all being the independent non-executive Directors, to be established to advise the Independent Shareholders as to the fairness and reasonableness of the Settlement Agreement, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Financial Advisor”	the independent financial adviser to be appointed by the Company and to be approved by the Independent Board Committee as to advise the Independent Board Committee and the Independent Shareholders in relation to the fairness and reasonableness of the Settlement Agreement, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than Mr. Cheung, Ms. Yeung and their respective associates

“Judgment”	the judgment dated 7 March 2012 and made by the Honourable Mr. Justice Barma in HCMP No. 1702 of 2008, wherein Mr. Cheung was judged, amongst other things, to pay to the Company Cheung’s Judgment Debt and Ms. Yeung was judged, amongst other things, to pay to the Company Yeung’s Judgment Debt
“Judgment Debts”	together Cheung’s Judgment Debt and Yeung’s Judgment Debt
“KC Asset” or “Transferor”	K.C. (Asset) Limited, a company incorporated in British Virgin Islands with limited liability, being the sole legal owner of Full Bright
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Material Adverse Change”	any change (or effect) which has a material and adverse effect on the financial position, business or property, results of operations of the Full Bright Group as a whole
“Mr. Cheung”	Mr. Cheung Chi Shing, a substantial Shareholder and a judgment debtor under the Order
“Mr. Cheung’s Loan”	an interest-free loan of HK\$10,000,000 advanced by Mr. Cheung to the Company on or about 6 March 2012 with maturity date on 5 September 2012
“Ms. Yeung”	Ms. Yeung Han Yi Yvonne, a substantial Shareholder and a judgment debtor under the Order
“Order”	an order dated 7 March 2012 and made by the Honourable Mr. Justice Barma in HCMP No. 1702 of 2008, wherein Mr. Cheung was ordered, amongst other things, to pay to the Company Cheung’s Judgment Debt and Ms. Yeung was ordered, amongst other things, to pay to the Company Yeung’s Judgment Debt
“Paying Parties” or “Guarantors”	together Mr. Cheung and Ms. Yeung
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 26 June 2012 and entered into between the Company as transferee, KC Asset as transferor and the Guarantors as guarantors in relation to the transfer of the Full Bright Shares and the assignment of the Full Bright Loan
“Settlement”	the settlement of the Judgment Debts by the Paying Parties pursuant to the terms and conditions of the Settlement Agreement

“Settlement Agreement”	the conditional settlement agreement dated 26 June 2012 and entered into between the Company and the Paying Parties which set out the principal terms agreed between the parties thereto in relation to the Settlement
“SGM”	a special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving the Settlement Agreement, the Sale and Purchase Agreement and the transactions contemplated thereunder
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Term Sheet”	the non-legally binding term sheet dated 7 June 2012 and entered into between the Company and the Paying Parties which set out the principal terms to be agreed between the parties thereto in relation to the Settlement
“Transfer”	the transfer of the Full Bright Shares and the assignment of the Full Bright Loan from the Transferor to the Transferee pursuant to the terms and conditions of the Sale and Purchase Agreement
“Treasure Profit”	Treasure Profit Limited (域美有限公司), a company incorporated in Hong Kong with limited liability, which is wholly owned by Full Bright and is the legal owner of the Commercial Property
“Yeung’s Judgment Debt”	together Yeung’s Principal, Yeung’s Judgment Interest and Yeung’s Further Judgment Interest
“Yeung’s Principal”	the sum of HK\$6,950,000 which Ms. Yeung should pay to the Company pursuant to the Order
“Yeung’s Judgment Interest”	the interest on Yeung’s Principal compounded annually at the rate of 1% above HSBC’s Prime Rate from 7 July 2000 until the date of the Order
“Yeung’s Further Judgment Interest”	the interest on Yeung’s Principal accrued annually at judgment rate from the following date of the Order until payment of Yeung’s Principal

By order of the Board
Styland Holdings Limited
Ng Yiu Chuen
Director

Hong Kong, 26 June 2012

As at the date of this announcement, the Board comprises five executive Directors, Mr. Cheung Hoo Win, Mr. Ng Yiu Chuen, Ms. Mak Kit Ping, Ms. Zhang Yuyan and Ms. Chen Lili and four independent non-executive Directors, Mr. Zhao Qingji, Mr. Yeung Shun Kee, Mr. Li Hancheng and Mr. Lo Tsz Fung Philip.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.