

HONG FOK LAND INTERNATIONAL LIMITED
(鴻福國際有限公司*)

(Incorporated in Bermuda with limited liability)

**(1) VOLUNTARY CONDITIONAL CASH OFFER BY
TUS CORPORATE FINANCE LIMITED ON BEHALF OF
HONG FOK LAND INTERNATIONAL LIMITED
TO BUY-BACK ALL THE ISSUED SHARES OF
HONG FOK LAND INTERNATIONAL LIMITED
AT HK\$0.55 PER SHARE**

AND

(2) APPLICATION FOR WHITEWASH WAIVER

Financial Adviser to the Company



**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



INTRODUCTION OF THE OFFER

The Board is pleased to announce that a voluntary conditional cash offer will be made by the TUS Corporate Finance Limited on behalf of the Company to buy-back, subject to the Conditions, all the issued share capital of the Company as at the date of this announcement, at the price of HK\$0.55 per Share.

The Offer will be made in full compliance with the Share Buy-backs Code and will be financed by the Facility. TUS Corporate Finance Limited, as the financial adviser to the Company, is satisfied that the Company has sufficient financial resources to enable it to satisfy acceptances of the Offer in full.

CONDITIONS OF THE OFFER

The Offer will be conditional upon fulfillment of all of the following conditions: (a) the approval of at least 75% of the votes of the Independent Shareholders by way of poll and not more than 10% of the number of votes cast against the resolution approving the Offer at the SGM; (b) the approval of at least 75% of the votes of the Independent Shareholders by way of poll at the SGM approving the Whitewash Waiver; and (c) the Whitewash Waiver having been granted by the Executive and such waiver not being revoked.

WHITEWASH WAIVER

An application will be made to the Executive by HF (Cayman) for the Whitewash Waiver. The Offer will be conditional upon approval of the Independent Shareholders voting by way of poll at the SGM and the Whitewash Waiver being granted by the Executive, which would also be subject to the approval of the Independent Shareholders voting by way of poll at the SGM.

GENERAL

The Offer will be conditional upon, among other things, a resolution to approve the Offer and the Whitewash Waiver by the Independent Shareholders having been passed by way of poll, either voting in person or by proxy, at the SGM.

A notice convening the SGM will be included in the Offer Document to be despatched to the Shareholders as soon as practicable. The HFC Subsidiaries, the Cheong's Family, Barragan and Dekker (and any other persons who may be required to abstain from voting in accordance with the Takeovers Code and the Share Buy-backs Code) will abstain from voting at the SGM on the resolution approving the Offer and the Whitewash Waiver.

The Independent Board Committee will be formed to advise the Independent Shareholders in respect of the Offer and the Whitewash Waiver. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and the Whitewash Waiver.

Shareholders and potential investors should note that the Offer is subject to all of the Conditions being fulfilled in full. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION OF THE OFFER

The Board is pleased to announce that a voluntary conditional cash offer will be made by the TUS Corporate Finance Limited on behalf of the Company to buy-back, subject to the Conditions, all the issued share capital of the Company as at the date of this announcement, at the price of HK\$0.55 per Share.

The Offer will be made in full compliance with the Share Buy-backs Code and will be financed by the Facility. TUS Corporate Finance Limited, as the financial adviser to the Company, is satisfied that the Company has sufficient financial resources to enable it to satisfy acceptances of the Offer in full.

The Shareholders will be subject to the Offer at the Offer Price. The Offer will take place in accordance with *inter alia* Share Buy-backs Code, the memorandum and articles of association of the Company and other applicable laws and regulations in Bermuda relating to the transfer and purchase of shares in companies incorporated in Bermuda.

TERMS OF THE OFFER

The salient terms of the Offer are as follows:

- (a) The Financial Adviser will make the Offer to the Shareholders on behalf of the Company to buy-back Shares at the Offer Price;
- (b) Qualifying Shareholders may accept the Offer in respect of their holdings in Shares at the Offer Price up to their entire shareholding;
- (c) All the Shares stated in acceptances of the Offer will be bought-back to the fullest extent. No minimum number will be set for individual acceptance or the number of Shares to be bought-back under the Offer;
- (d) Acceptances duly received will become irrevocable and cannot be withdrawn after the Offer has been declared unconditional, unless in accordance with Rule 19.2 of the Takeovers Code.
- (e) Shares will be bought-back in cash, free of commission, levies, dealing charges and stamp duty given the register of members of the Company is in Bermuda;
- (f) Shares bought-back will be cancelled and will not rank for purpose of any dividends declared pursuant to any record date set subsequent to the date thereof; and
- (g) Shares will be bought-back free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature. Accordingly, the submission of a Form of Acceptance by an Accepting Shareholder will be deemed to constitute a warranty by that Accepting Shareholder to the Financial Adviser and the Company that the Shares are being sold free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature.

CONDITIONS OF THE OFFER

The Offer will be conditional upon fulfillment of all of the following conditions:

- (a) the approval of at least 75% of the votes of the Independent Shareholders by way of poll and not more than 10% of the number of votes cast against the resolution approving the Offer at the SGM;
- (b) the approval of at least 75% of the votes of the Independent Shareholders by way of poll at the SGM approving the Whitewash Waiver; and
- (c) the Whitewash Waiver having been granted by the Executive and such waiver not being revoked.

The Offer is not conditional upon any minimum level of acceptance. The HFC Subsidiaries, the Cheong's Family, Barragan and Dekker (and any other person who may be required to abstain from voting in accordance with the Takeovers Code and the Share Buy-backs Code) will abstain from voting at the SGM on the resolution to approve the Offer and the Whitewash Waiver.

The Offer and the grant of the Whitewash Waiver will be subject to the approval of the Independent Shareholders at the SGM. **If the Offer or the Whitewash Waiver is not approved by the Independent Shareholders, or if the Whitewash Waiver is not granted by the Executive, the Offer will immediately lapse.**

If the Offer is declared unconditional, Qualifying Shareholders will be able to tender their Shares for acceptance under the Offer for a period of at least 14 days thereafter. The Company will not extend the final closing date to a day beyond the 14th day after the Offer is declared unconditional.

Acceptances duly received will become irrevocable and cannot be withdrawn after the Offer has been declared unconditional, unless in accordance with Rule 19.2 of the Takeovers Code.

Detailed terms and conditions of the Offer will be set out in the Offer Document to be dispatched to the Shareholders as soon as practicable.

THE OFFER PRICE AND THE TOTAL VALUE OF THE OFFER

The Offer Price of HK\$0.55 per Share values the entire issued share capital of the Company as at the date of this announcement at approximately HK\$820.8 million. The Offer Price represents a discount of approximately 75% to the Group's net asset value per Share of approximately HK\$2.19 pursuant to the latest audited consolidated financial statements of the Company as at 31 December 2017.

Due to the lack of public trading market of the Shares, the Offer Price was determined after taking into account, among other things, the latest available financial information of the Company including the valuation report on the Group's investment properties, the prevailing market conditions and sentiments as well as the available financial resources of the Group. The Directors are of the opinion that, in the event the maximum amount of consideration under the Offer is payable in full, the Group will still maintain sufficient working capital upon completion of the Offer for the purpose of its normal operating requirements.

Assuming there is no change in the issued share capital of the Company and up to the close of the Offer, a total of 1,492,410,986 Shares will be entitled to be tendered in acceptance of the Offer. On the basis of a total of 309,198,321 issued Shares (representing the Shares not already held by the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker who have irrevocably undertaken not to accept the Offer) will be accepted in full under the Offer, the cash payment obligation by the Company under the Offer would amount to approximately HK\$170,059,077 based on the Offer Price of HK\$0.55 per Share.

FINANCIAL RESOURCES

The Company would finance the consideration payable for the Offer by the Facility. The Company confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility will not depend on any significant extent on the business of the Company.

TUS Corporate Finance Limited, the financial adviser to the Company in respect of the Offer, is satisfied that sufficient financial resources are available to the Company to satisfy payment of the consideration in respect of the full acceptance of the Offer.

PAYMENT

Payment in cash in respect of acceptance of the Offer would be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) of the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Shares in respect of such acceptance are received by the Company to render such acceptance of any of the Offer complete and valid.

EFFECT OF ACCEPTING THE OFFER

The Offer is not conditional as to any minimum number of acceptances. Acceptances duly received will become irrevocable and cannot be withdrawn after the Offer has been declared unconditional, unless in accordance with Rule 19.2 of the Takeovers Code.

Shares will be bought-back in cash, free of commission, levies, dealing charges and stamp duty.

Acceptance of the Offer by any Accepting Shareholder will, subject to the Offer becoming unconditional, be deemed to constitute a warranty by such Shareholder that all Shares sold by such Shareholder under the Offer are free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature, and are sold together with all rights accruing or attaching thereto, including, without limitation, the right to receive dividends and other distributions declared, made or paid, if any, on or after the date of their cancellation.

All Shares bought-back under the Offer will be cancelled.

OVERSEAS AND EXCLUDED SHAREHOLDERS

The making of the Offer to Shareholders who are citizens, residents or nationals of jurisdictions outside Hong Kong may be subject to the laws of the relevant jurisdictions. The laws of the relevant jurisdictions may prohibit the making of the Offer to overseas Shareholders or require compliance with certain filing, registration or other requirements in respect of the Offer. Details of the overseas Shareholders will be set out in the Offer Document. The Company will comply with the requirements under Rule 8 (subject to Note 3 to Rule 8) of the Takeovers Code in respect of overseas Shareholders.

It is the responsibility of each overseas Shareholder who wishes to accept the Offer to satisfy himself or herself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consents which may be required or compliance with other necessary formalities or legal requirements. Any acceptance of the Offer by any Qualifying Shareholder shall be deemed to constitute a representation and warranty from such Shareholder to the Company that all applicable local laws and requirements have been observed and complied with. Shareholders should consult their professional advisers if in doubt.

The Company shall give notice of any matter in relation to the Offer to the Shareholders by issuing announcements or advertisements in accordance with its bye-laws, the Share Buy-backs Code and the Takeovers Code and, if so given, shall be deemed to have been sufficient for all effective purposes, despite any failure by any overseas Shareholder to receive the same.

NOMINEE REGISTRATION OF SHARES

To ensure equality of treatment of all Qualifying Shareholders, those registered Shareholders who hold Shares as nominees for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for beneficial owners of the Shares, whose investments are registered in nominee names, to accept the Offer, it is essential that they provide instructions to their nominee agents of their intentions with regards to the Offer.

WHITEWASH WAIVER

Pursuant to Rule 6 of the Share Buy-backs Code, if as a result of a share buy-back, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code.

Depending on the level of acceptances received from the Accepting Shareholders pursuant to the Offer and given that the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker have irrevocably undertaken to the Company that they will not tender any of their holdings in Shares pursuant to the Offer, the interest of HF (Cayman) in the issued share capital of the Company may increase from 37.20% to a maximum level of approximately 46.92% upon completion of the Offer, thereby triggering an obligation under Rule 26 of the Takeovers Code for HF (Cayman) to make a mandatory general offer for all the Shares not already owned by it and the parties acting in concert with it upon the completion of the Offer.

An application will be made to the Executive by HF (Cayman) for the Whitewash Waiver. The Offer will be conditional upon approval of the Independent Shareholders voting by way of poll at the SGM and the Whitewash Waiver being granted by the Executive, which would also be subject to the approval of the Independent Shareholders voting by way of poll at the SGM.

If the Offer or the Whitewash Waiver is not approved by the Independent Shareholders, or if the latter is not granted by the Executive, the Offer will not proceed.

As at the date of this announcement, the Company does not believe that the transactions under the Offer and the Whitewash Waiver would give rise to any concern in relation to compliance with other applicable rules or regulations in Hong Kong or Bermuda. If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the Offer Document. The Company notes that the Executive may not grant the Whitewash Waiver if the transactions under the Offer and the Whitewash Waiver do not comply with other applicable rules and regulations.

THE CONCERT GROUP

As at the date of this announcement, the Concert Group comprises HFC Subsidiaries, the Cheong's Family, Barragan, Dekker, Mr. Cheong PC and Mr. Cheong SE.

Pursuant to the definition of "acting in concert" under the Takeovers Code, a company with any directors (together with their close relatives, related trusts and companies controlled by any of the directors, their close relatives or related trusts) of it or of its parent, its parent, its subsidiaries, its fellow subsidiaries, associated companies of any of the foregoing, and companies of which such companies are associated companies will be presumed to be acting in concert with others unless the contrary is established. Ms. Cheong Zee Yee Ling, Helen is the spouse of Mr. Cheong PC and Ms. Cheong Hooi Kheng is the sibling of Mr. Cheong PC and Mr. Cheong SE. Mr. Cheong PC and Mr. Cheong SE are directors of the Company and directors of each of the HFC Subsidiaries. The Cheong's Family is therefore presumed to be acting in concert with HF (Cayman) in Class (8). In addition, according to Note 1 to the definition of "acting in concert" under the Takeovers Code, if an individual owns or controls 20% or more of the voting rights of a company in Class (1), he will be presumed to be acting in concert with one or more persons in Class (1) unless the contrary is established. Further, the definition of "associated company" under the Takeovers Code states that a company shall be deemed to be an associated company of another company if one of them owns or controls 20% or more of the voting rights of the other or if both are associated companies of the same company. Due to the interest of Barragan and Dekker in the issued share capital of the Company may increase to a maximum level of approximately 24.11% and 22.04%, respectively, upon completion of the Offer. Accordingly, Barragan and Dekker are presumed to be acting in concert with HF (Cayman). Save as disclosed above, there is no other actual or presumption for acting in concert between Barragan and Dekker with HF (Cayman) and parties acting in concert with it. As at the date of this announcement, the ultimate beneficial owner of Barragan is Mr. Kuo Pao Chih, Keith (an individual residing in Singapore); and the ultimate beneficial owner of Dekker is Mr. Lee Keng Seng (an individual residing in Malaysia).

CHANGES IN SHAREHOLDING STRUCTURE

Set out below are the Company's existing shareholding structure and the shareholding structure in the event the Offer has been accepted in full (taking into account that the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker have irrevocably undertaken not to accept the Offer), and assuming that no additional Shares will be issued from the date of this announcement up to and including the date of completion of the Offer:

Name of Shareholder	Existing Shareholding		Immediately after completion of the Offer (taking into account that the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker have irrevocably undertaken not to accept the Offer)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
HF (Cayman)	555,202,784	37.20	555,202,784	46.92
HF (HK)	47,443,003	3.18	47,443,003	4.01
HF Enterprises	29,079,206	1.95	29,079,206	2.46
Cheong Zee Yee Ling, Helen (1) (a)	3,397,000	0.23	3,397,000	0.29
Cheong Hooi Kheng (1) (b)	2,000,000	0.13	2,000,000	0.17
Barragan	285,312,566	19.12	285,312,566	24.11
Dekker	260,778,106	17.47	260,778,106	22.04
Sub-total	1,183,212,665	79.28	1,183,212,665	100.00
Other Shareholders	309,198,321	20.72	–	0.00
Total	1,492,410,986	100.00	1,183,212,665	100.00

Notes:

- (1) (a) is the spouse of Mr Cheong PC and (b) is the sibling of Mr. Cheong PC and Cheong SE. Mr. Cheong PC and Cheong SE are directors of the Company and each member of the HFC Subsidiaries. (a) and (b) are presumed to be acting in concert with HF (Cayman) in Class (8) unless the contrary is established. Save as disclosed above, each of (a) and (b) has no direct relationship with any members of the Concert Group.
- (2) Mr. Cheong PC and Mr. Cheong SE do not hold any Shares as at the date of this announcement.

As at the date of this announcement, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

As at the date of this announcement, save as disclosed above, the Concert Group does not hold, own, control or have direction over any Shares, outstanding options, derivatives, warrants or securities which are convertible or exchangeable into Shares, or has entered into any outstanding derivative in respect of securities in the Company.

DEALING IN THE SHARES

The Company has not bought-back any Shares in the six-month period prior to the date of this announcement, and will not conduct any on-market share buy-back from the date of this announcement up to and including the date at which the Offer closes, lapses or is withdrawn, as the case may be.

Each member of the Concert Group has confirmed (for itself and on behalf of parties acting in concert with them) that there has been no dealings in the securities in the Company by it/him/her and parties acting in concert with it/him/her in the six months immediately preceding to the date of this announcement.

OTHER ARRANGEMENTS

Save for the irrevocable undertaking given by the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker, there is no arrangement as referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the Shares and relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company which might be material to the Offer or the Whitewash Waiver, nor are there any outstanding derivative in respect of securities in the Company entered into by the Company, the Concert Group and parties acting in concert with them as at the date of this announcement.

There is no agreement or arrangement, to which the Company or any members of the Concert Group is a party, which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer or the Whitewash Waiver (save as those set out in the above section headed "Conditions of the Offer" in this announcement).

None of the Company, the Concert Group and parties acting in concert with them has borrowed or lent any Shares.

Apart from the irrevocable undertakings provided by the HFC Subsidiaries, the Cheong's Family, Barragan and Dekker for not accepting the Offer, the Company has not received any irrevocable commitment to accept or not to accept the Offer as at the date of this announcement.

INFORMATION ON THE GROUP

The Company is an unlisted public company incorporated in Bermuda on 26 March 2007, with a total of 1,950 Shareholders as at 30 November 2018. The principal business of the Group is property investment and management, and securities trading. The Company has 1,492,410,986 Shares in issue as at 30 November 2018. As at the date of this announcement, Hong Fok Corp has an indirect interest of approximately 42.33% in the Company, held through the HFC Subsidiaries. HFLH, an indirect wholly-owned subsidiary of the Company, has an interest of approximately 20.40% in Hong Fok Corp.

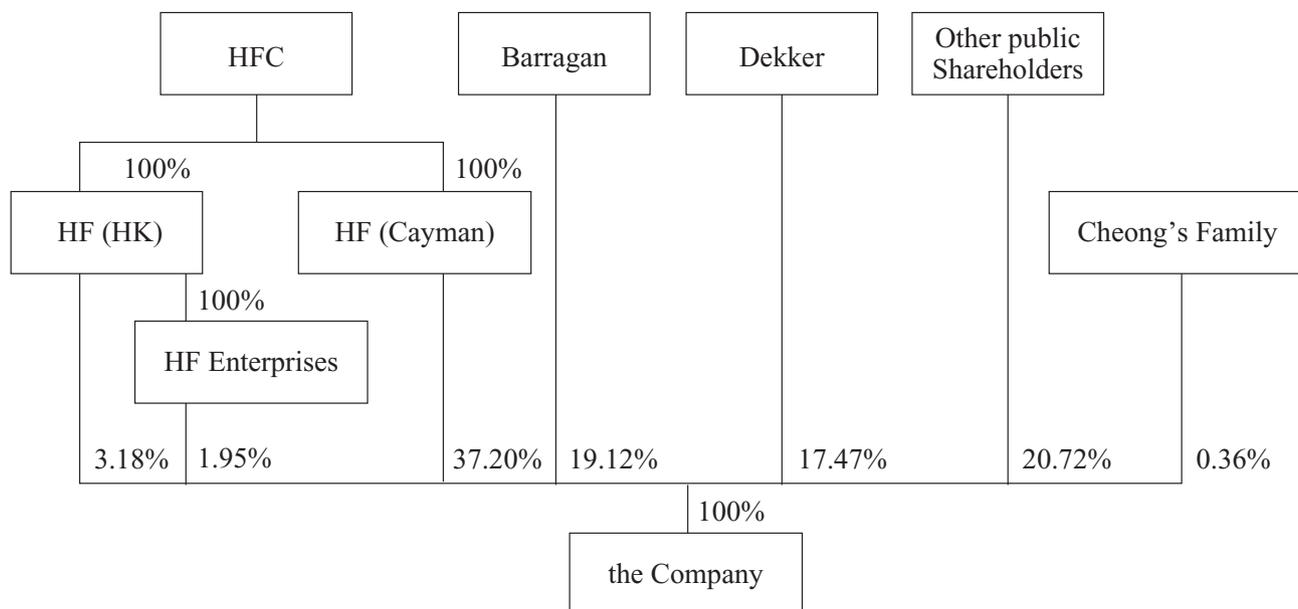
The following table shows the major shareholding of 10% or more of Hong Fok Corp as at 31 December 2018:

Name of Shareholder	Direct/Beneficial Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%
Mr. Cheong PC	20,052,528	2.30	149,823,053 ^(a)	17.21
P.C. Cheong Pte Ltd	96,089,584	11.04	–	–
Mr. Cheong SE	112,745,456	12.95	53,159,778 ^(b)	6.11
Mr. Cheong Kim Pong	99,824,099	11.47	43,985,758 ^(c)	5.05
HFLH	177,589,632	20.40	–	–

Notes:

- (a) This represents Mr. Cheong PC's deemed interest in the HFC Shares held by his spouse, P.C. Cheong Pte Ltd, Corporate Development Limited (“**CDL**”) which is directly interested in approximately 0.93% of HFC Shares and Goodyear Realty Co. Pte. Ltd. (“**Goodyear**”) which is directly interested in approximately 5.05% of HFC Shares.
- (b) This represents Mr. Cheong SE's deemed interest in the HFC Shares held by his spouse, CDL and Goodyear.
- (c) This represents Mr. Cheong Kim Pong's deemed interest in the HFC Shares held by Goodyear.

The following diagram is the shareholding structure of the Company as at the date of this announcement:



FUTURE INTENTIONS ON THE GROUP

HF (Cayman) will be the single largest Shareholder of the Company after completion of the Offer. It intends to continue with the existing businesses of the Group and do not intend to introduce any major changes to the businesses of the Group. Accordingly, there will be no material change to the existing businesses and employment of the existing employees of the Group as a result of the Offer. As at the date of this announcement, there is no intention for HF (Cayman) to exercise any right of compulsory acquisition of the Company.

REASONS FOR THE OFFER

There is no open market for the trading of the Shares. The Offer will provide an opportunity for Shareholders to realise their investments in the Shares if they do not wish to retain an unlisted asset. Shareholders will have the opportunity to immediately receive cash for the Shares that they tender for the Offer with no additional transaction costs. Shareholders not accepting the Share Buyback may retain their holdings and continue to participate directly in the future prospects of the Company.

GENERAL

The Offer will be conditional upon, among other things, a resolution to approve the Offer and the Whitewash Waiver by the Independent Shareholders having been passed by way of poll, either voting in person or by proxy, at the SGM.

A notice convening the SGM will be included in the Offer Document to be despatched to the Shareholders as soon as practicable. The HFC Subsidiaries, the Cheong's Family, Barragan and Dekker (and any other persons who may be required to abstain from voting in accordance with the Takeovers Code and the Share Buy-backs Code) will abstain from voting at the SGM on the resolution approving the Offer and the Whitewash Waiver.

The Independent Board Committee will be formed to advise the Independent Shareholders in respect of the Offer and the Whitewash Waiver. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and the Whitewash Waiver.

Shareholders and potential investors should note that the Offer is subject to all of the Conditions being fulfilled in full. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (including any person holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code)) of the Company are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code. In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DESPATCH OF THE OFFER DOCUMENT

It is expected that the Offer Document containing, amongst other things, (i) expected timetable of the Offer; (ii) further details of the Offer and the Whitewash Waiver; (iii) the recommendation from the Independent Board Committee in respect of the Offer and the Whitewash Waiver; (iv) the letter of advice of the Independent Financial Adviser in respect of the Offer and the Whitewash Waiver; (v) a full valuation report on the Group’s properties in accordance with Rule 11.1(f) of the Takeovers Code; (vi) financial effects of the Offer; (vii) a notice convening the SGM; and (viii) the Form of Acceptance, will be despatched to the Shareholders within 21 days of the date of this announcement on or around 22 February 2019.

WARNING: The Offer is subject to all of the Conditions being fulfilled in full. If the Whitewash Waiver is not granted by the Executive, or if the resolution to approve the Offer and the Whitewash Waiver is not passed by the Independent Shareholders, the Offer will not proceed and will immediately lapse.

Shareholders are advised to consider the detailed terms of the Offer and the Whitewash Waiver and read, among other things, the letter from the Independent Board Committee and the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders to be contained in the Offer Document before deciding whether to vote for or against the ordinary resolution in respect of the Offer and the Whitewash Waiver to be proposed at the SGM. Shareholders should also note that their voting decision on the resolution in respect of the Offer and the Whitewash Waiver to be proposed at the SGM shall not affect their decision as to whether to accept the Offer or not. If Shareholders are in any doubt as to any aspect of the Offer and the Whitewash Waiver or as to the action to be taken, they should seek independent professional advice.

DEFINITIONS

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

“Accepting Shareholder(s)”	the Qualifying Shareholder(s) accepting the Offer;
“acting in concert”	has the meaning ascribed to it under the Takeovers Code;
“Barragan”	Barragan Trading Corp., a company incorporated in the British Virgin Islands with limited liability which is independent of the Company, whose ultimate beneficial owner is Mr. Kuo Pao Chih, Keith (an individual residing in Singapore);
“Board”	the board of Directors;
“Cheong’s Family”	two individuals named Ms. Cheong Zee Yee Ling, Helen and Ms. Cheong Hooi Kheng, holding directly and/or indirectly an aggregate of approximately 0.36% interest in the Company as at the date of this announcement;
“Company”	Hong Fok Land International Limited, a company incorporated in Bermuda with limited liability;
“Concert Group”	HFC Subsidiaries, the Cheong’s Family, Barragan, Dekker, Mr. Cheong PC and Mr. Cheong SE;
“Conditions”	the conditions to which the Offer is subject, as set out under the section headed “Conditions of the Offer” in this announcement;

“Dekker”	Dekker Assets Ltd, a company incorporated in the British Virgin Islands with limited liability which is independent of the Company, whose ultimate beneficial owner is Mr. Lee Keng Seng (an individual residing in Malaysia);
“Director(s)”	the director(s) of the Company;
“Excluded Shareholders”	any of the 54 overseas Shareholders whose addresses, as shown on the Register as at the latest practicable date prior to the publication of the Offer Document, are outside Hong Kong and located in a jurisdiction the laws of which may prohibit the making of the Offer to such Shareholders or otherwise require the Company to comply with additional requirements which are (in the opinion of the Directors, but subject to the prior consent of the Executive) unduly onerous or burdensome, having regard to the number of Shareholders involved in that jurisdiction and their shareholdings in the Company;
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission or any delegate of the Executive Director;
“Facility”	the loan facility in the amount of HK\$300,000,000 granted by Nanyang Commercial Bank, Limited to the Group for the purpose of financing the Offer;
“Financial Adviser”	TUS Corporate Finance Limited, a corporation licensed under the SFO to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO;
“Form of Acceptance”	the form of acceptance to be issued with the Offer Document to Qualifying Shareholders for use by such persons in connection with the Offer;
“Group”	the Company and its subsidiaries from time to time;
“HFC Subsidiaries”	HF (Cayman), HF (HK) and HF Enterprises;
“HFLH”	Hong Fok Land Holding Limited, an indirect wholly-owned subsidiary of the Company;
“HF (Cayman)”	Hong Fok Corporation (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability;

“HF Enterprises”	Hong Fok Enterprises Limited, a company incorporated in Hong Kong with limited liability;
“HF (HK)”	Hong Fok Corporation (H.K.) Limited, a company incorporated in Hong Kong with limited liability;
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong;
“Hong Fok Corp” or “HFC”	Hong Fok Corporation Limited, a company incorporated in the Republic of Singapore and the shares of which are listed on The Singapore Exchange Securities Trading Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board comprising Mr. Chan Yee Hoi as an independent non-executive Director will be formed to advise the Independent Shareholders in respect of the Offer and the Whitewash Waiver, pursuant to the requirements of the Takeovers Code and the Share Buy-backs Code;
“Independent Financial Adviser”	Lego Corporate Finance Limited, a licensed corporation under the SFO registered to conduct Type 6 (advising on corporate finance) regulated activity under the SFO;
“Independent Shareholders”	the Shareholders other than (i) HFC Subsidiaries, the Cheong’s Family, Barragan and Dekker; and (ii) any person who may be required to abstain from voting on the resolution in respect of the Offer and the Whitewash Waiver to be proposed at the SGM in accordance with the Takeovers Code and the Share Buy-backs Code;
“Mr. Cheong PC”	Mr. Cheong Pin Chuan, the joint chairman and joint managing director of the Company and a director of the HFC Subsidiaries and a brother of Mr. Cheong SE;
“Mr. Cheong SE”	Mr. Cheong Sim Eng, the joint chairman and joint managing director of the Company and a director of the HFC Subsidiaries and a brother of Mr. Cheong PC;
“Offer”	a conditional cash offer by the Financial Adviser on behalf of the Company to buy-back all Shares at the Offer Price from all Qualifying Shareholders;

“Offer Document”	an offer document to the Shareholders (containing the Form of Acceptance) to be issued by the Company in connection with the Offer and the Whitewash Waiver;
“Offer Period”	has the meaning ascribed to it under the Takeovers Code and commencing from the date of this announcement;
“Offer Price”	HK\$0.55 per Share;
“Qualifying Shareholders”	the Shareholders, other than the Excluded Shareholders (if any), whose names appear on the Register at the close of the Offer;
“Register”	the register of members of the Company;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the ordinary resolution in respect of the Offer and the Whitewash Waiver;
“Share(s)”	ordinary share(s) in the capital of the Company;
“Share Buy-backs Code”	the Code on Share Buy-backs of Hong Kong;
“Shareholder(s)”	holder(s) of the Share(s);
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong;
“Whitewash Waiver”	a waiver to be granted by the Executive in respect of the obligation of HF (Cayman) to make a mandatory general offer in accordance with Note 1 on dispensations from Rule 26 of the Takeovers Code for all the Shares not held by it and parties acting in concert with it, which may otherwise arise as a result of the completion of the Offer; and
“%”	per cent.

By Order of the Board
Hong Fok Land International Limited
Cheong Pin Chuan
Joint Chairman and Joint Managing Director

Hong Kong, 4 February 2019.

As at the date of this announcement, Mr. Cheong Pin Chuan, Mr. Cheong Sim Eng and Mr. Ng Lin Fung as the Directors and Mr. Chan Yee Hoi as the independent non-executive Director.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement 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 contained in this announcement misleading.

** For identification purpose only*