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**Star Properties Group (Cayman Islands) Limited**  
**星星地產集團(開曼群島)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1560)**

**VERY SUBSTANTIAL DISPOSAL RELATING TO THE DISPOSAL OF THE  
SALE SHARE OF THE TARGET COMPANY AND THE SHAREHOLDER'S  
LOAN**

Reference is made to the Announcement in relation to the Disposal of the Sale Share, representing the entire issued share capital of the Target Company, and the Shareholder's Loan.

**THE DISPOSAL**

On 31 December 2019, the Purchaser, the Vendor (an indirect wholly-owned subsidiary of the Company) and the Company (as the guarantor) entered into the Agreement, pursuant to which (i) the Purchaser conditionally agreed to purchase, and the Vendor conditionally agreed to sell, the Sale Share, representing the entire issued share capital of the Target Company, and the Shareholder's Loan, at the Purchase Price of HK\$980,000,000 (subject to adjustment); and (ii) the Company agreed to guarantee and procure the performance of all obligations of the Vendor under the Agreement.

**LISTING RULES IMPLICATIONS**

As one or more applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As such, there is failure by the Company to timely comply with the reporting, announcement and shareholders' approval requirements. To the best of the Directors' knowledge, information and belief, such delay in disclosure and other compliance matters under Chapter 14 of the Listing Rules was due to the reconsidering of the recommendation in the agenda of the IFRS Interpretations Committee Meeting held in 2019 and hence recognizing the possibility of IFRS10 rather than IFRS15 being applied insofar as the accounting treatment of sale of a single asset entity containing real estate is concerned. Nevertheless, the Directors reiterated that they have no intention for such non-compliance and the non-compliance was solely due to the reasons as stated above.

The Company and the Board apologize for any inconvenience caused to investors due to the non-compliance issues. Going forward, the Company will closely monitor the effectiveness and efficiency of its compliance system and the relevant corporate governance measures, particularly in the areas of, among other things, notifiable transactions, so as to prevent the future occurrence of any similar incidents. Further remediation actions are detailed in the section headed "Remedial Actions" of this announcement.

## **GENERAL**

A circular containing, among others, further details relating to the Disposal and a notice convening the EGM to be held to consider and, if thought fit, approve and ratify the Disposal is expected to be despatched to the Shareholders on or before 27 March 2020, which is more than 15 business days after the publication of this announcement, as the Company requires more time to prepare the information to be included in the circular.

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## **THE DISPOSAL**

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The principal terms of the Agreement are summarised as follows:

## **PRINCIPAL TERMS OF THE AGREEMENT**

### **Date**

31 December 2019

### **Parties**

- (i) the Purchaser (as purchaser);
- (ii) the Vendor, an indirect wholly-owned subsidiary of the Company (as vendor); and
- (iii) the Company (as the guarantor).

### **Subject matter**

Pursuant to the Agreement, (i) the Purchaser agreed to purchase, and the Vendor agreed to sell, the Sale Share and the Shareholder's Loan, subject to the terms and conditions contained in the Agreement.

### **Purchase Price**

The aggregate Purchase Price for the Sale Share and the Shareholder's Loan shall be HK\$980,000,000 (subject to the adjustment). For the purposes of apportionment, the aggregate Purchase Price to be paid by the Purchaser to the Vendor: (i) for the benefit of the Shareholder's Loan, shall be an amount equal to the amount of the Shareholder's Loan; and (ii) for the Sale Share, shall be an amount equal to the balance of the Purchase Price after deducting the amount of such purchase price in respect of the assignment of the benefit of the Shareholder's Loan.

According to the Assignment of Shareholder's Loan, there was Shareholder's Loan in the amount of HK\$573,362,082 as at the Completion Date. The consideration for the Sale Share and the Shareholder's Loan were HK\$406,637,918 and HK\$573,362,082, respectively.

According to the Agreement, the aggregate Purchase Price in the amount of HK\$980,000,000 (subject to adjustment) shall be paid by the Purchaser in the following manner:

- (i) the Initial Deposit in the amount of HK\$98,000,000 shall be paid to the Vendor's solicitors ("**Stakeholder**") on the working day immediately following the date of the Agreement, which shall be held by the Vendor's solicitors as stakeholder and shall be released in accordance with the terms and conditions of the Agreement; and
- (ii) the balance of the Purchase Price of HK\$882,000,000 (the "**Balance of Purchase Price**") shall be paid on Completion in the following manner:
  - (a) a sum which shall not exceed HK\$880,000,000, being the full redemption amount for discharging and releasing the existing mortgage over the Property and all other security documents (to the extent that they affect the Sale Share, the Shareholder's Loan, the Target Company and/or the Property) provided as security in favour of SCB ("**Redemption Amount**") shall be payable to SCB;
  - (b) the remaining balance of the Balance of Purchase Price after deducting item (a) above shall be payable to Vendor's solicitors as Stakeholder who shall hold such funds and release the same to the Vendor upon and subject to the terms and conditions set out in the Agreement.

The Vendor and the Purchaser agree that, subject to Completion taking place, the sum of HK\$100,000,000 ("**Security Deposit**") out of the Purchase Price (subject to adjustment) paid by the Purchaser shall be retained by the Stakeholder following Completion. The Stakeholder may release the remainder of the Purchase Price (subject to adjustment) paid by the Purchaser, after deducting the Redemption Amount and the Security Deposit, to the Vendor.

### ***Security Deposit***

The Security Deposit shall be released for:

- (i) settling any amount payable by the Vendor to the Purchaser if the Purchase Price is reduced as set out in paragraph (ii) under the section headed "Adjustment to the Purchase" below;

- (ii) discharging the outstanding liabilities of the Target Company including tax liabilities and outstanding liabilities of the Target Company in relation to certain contracts listed in the Agreement (“**Contracts**”), subject to adjustment. The Vendor shall provide the Purchaser with all such evidence reasonably satisfactory to the Purchaser (such as Contracts, invoice or demands notes) showing the amounts payable by the Target Company to the relevant payees, and the Purchaser shall, not less than three working days upon receiving the evidence, send a notice to direct the Stakeholder to release such money directly to the payees. The Vendor and the Guarantor shall procure that all Contracts shall be terminated as soon as possible after the outstanding liabilities under the relevant Contract have been settled. The total liabilities of the Target Company in relation to the Contracts are, in aggregate, HK\$26,884,837, of which HK\$10,634,000 is outstanding and will be settled before 9 March 2020;
- (iii) payment of liquidated damages by the Vendor to the Purchaser under the following circumstances (where relevant):
  - (a) the Vendor shall procure that such notice to the Buildings Department in respect of the cessation of appointment of the relevant registered contractor for the re-development of the Property shall be duly completed and signed by the relevant registered contractor (and, if such cessation of appointment precedes the resignation of the Authorized Person for the re-development of the Property nominated by the Vendor, signed also by such Authorized Person), and be delivered to the Purchaser at the Vendor’s cost within 30 days after Completion. If the Vendor fails to deliver such notice within the stipulated time limit after Completion, the Purchaser shall be entitled to claim against the Vendor and the Guarantor a liquidated damage of HK\$100,000 per day until the date when such notice has been delivered to the Purchaser, which shall be deducted from and paid out of the Security Deposit (to the extent available) and thereafter by the Vendor to the Purchaser directly; and
  - (b) upon Completion, the original Deed Poll duly rectified in accordance with and to conform to the form previously approved by the Director of Lands on 17 June 2019 and initialled by the parties thereto shall be delivered by the Vendor to the Purchaser. If the Vendor fails to provide duly rectified and initialled Deed Poll within seven days after the Completion Date, the Purchaser shall be entitled to claim against the Vendor for the sum of HK\$500,000 as liquidated damages which shall be deducted from and paid out of the Security Deposit (to the extent available) and thereafter by the Vendor to the Purchaser directly.

As at the date of this announcement, the Deed Poll and signed notice had already been delivered by the Vendor to the Purchaser. To the best of the knowledge, information and belief of the Directors, no amount will be deducted from the Security Deposit in accordance with paragraph (iii) above.

Following the payment of such amounts, if there is any remaining amount of the Security Deposit, the Stakeholder may release such remaining amount to the Vendor.

The Initial Deposit was released to the Vendor on the Completion Date. The final Redemption Amount was HK\$777,412,272.16. The remaining balance of the Balance of Purchase Price after deducting the Redemption Amount is HK\$104,587,727.84, of which:

- (i) HK\$100,000,000 is held as Security Deposit by the Stakeholder, which shall be released to the Vendor after payment of the amounts set out in paragraphs (i) to (iii) (where relevant) under the section headed “Security Deposit” above; and
- (ii) HK\$4,587,727.84 was released to the Vendor on the Completion Date.

### **Adjustment to the Purchase Price**

The Vendor undertakes to deliver to the Purchaser’s solicitors within 2 months from the Completion Date the Completion Accounts.

If the Purchaser disagrees with the Completion Accounts, it may serve a notice in writing on the Vendor within 10 working days (or within such other period as the Vendor and the Purchaser may agree in writing). The parties shall then refer the items in dispute to the Hong Kong office of such independent firm of certified public accountants of international repute as mutually agreed by the Vendor and the Purchaser or failing such agreement, to such other independent firm of certified public accountants of international repute in Hong Kong as the President of the Hong Kong Institute of Certified Public Accountants may nominate (the “**Expert**”), on the basis that the Expert is to be instructed to make a decision on the dispute and notify the Vendor and the Purchaser of its decision within twenty (20) working days of receiving the reference or such longer reasonable period as the Expert may determine.

Following the agreement or determination of the Completion Accounts as set out above, if the Net Asset Value as shown in the Completion Accounts is more or less than zero, the Purchase Price shall be adjusted upwards or downwards (as the case may be) as follows:

- (i) if the Net Asset Value is a positive amount, the amount equal to such Net Asset Value shall be added to the Purchase Price and the Purchaser shall pay to the Vendor the amount of the increase; or
- (ii) if the Net Asset Value is a negative amount, the amount equal to the absolute amount of such Net Asset Value shall be deducted from the Purchase Price and the Vendor shall pay to the Purchaser the amount of the deduction, and either the Purchaser (as agent for and on behalf of the Vendor) or the Vendor may direct the Stakeholder to pay such amount to the Purchaser out of the Security Deposit.

The amount as set out in paragraph (i) or (ii) (as the case may be) shall be paid within 5 working days following agreement or determination of the Completion Accounts as described above.

### **Basis of determination of the Purchase Price**

The Purchase Price was determined after arm's length negotiations between the Vendor and the Purchaser having taking into account (i) the prevailing market value of comparable land parcels in the vicinity of the Property; (ii) the valuation on the market value of the Property on redevelopment basis of HK\$903,000,000 as determined by an independent valuer as at 27 September 2019 (details on the basis of the valuation method are set out in the section headed "Information on the Target Company and the Property" below); (iii) the Net Asset Value; (iv) the amount of liabilities of the Target Company for which the Security Deposit will be released for settlement; (v) the possible adjustment to the Purchase Price in accordance with the terms and conditions of the Agreement, notwithstanding that the Directors do not expect there to be significant adjustment; (vi) the future market value of the Property after development; and (vii) the potential interests payable and costs (including costs related to manpower) for the completion of the development of the Property to be undertaken by the Group.

The Directors (including the independent non-executive Directors) consider that the Purchase Price is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **Condition Precedent**

Completion of the Disposal is conditional upon the Vendor having, at the Vendor's own cost, procured the Target Company to prove and give a good title to the Property in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance (Cap.219 of the Laws of Hong Kong). If it is not fulfilled on or before the Completion Date, (i) the Purchaser shall be entitled to cancel the transaction under the Agreement whereupon the Vendor shall procure that all the Initial Deposit paid shall be returned to the Purchaser forthwith and neither party shall have any claim against the others for any relief under the Agreement.

### **Completion**

Completion has taken place on 9 January 2020.

Upon Completion, the Target Company ceased to be a subsidiary of the Company and its financial statements will no longer be consolidated into the financial statements of the Group.

## INFORMATION ON THE TARGET COMPANY AND THE PROPERTY

The Target Company, a company incorporated in Hong Kong with limited liability, is principally engaged in property development in Hong Kong. Prior to Completion, the Target Company was an indirect wholly-owned subsidiary of the Company.

The Target Company is the registered and beneficial owner of the Property. The Property is situated at Nos. 11-15 Chai Wan Kok Street, Tsuen Wan, New Territories, Hong Kong. The total gross area of the Property is approximately 14,398 square meter. Prior to Completion, the Property was held by the Target Company for redevelopment and sale.

The audited financial information of the Target Company for the two years immediately preceding the date of this announcement are as follows:

	<b>For the year</b>	
	<b>ended 31 December</b>	
	<b>2017</b>	<b>2018</b>
	<b>(audited)</b>	<b>(audited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue	0	0
Net profit/(loss) before taxation	(2,689)	(190)
Net profit/(loss) after taxation	(2,655)	(190)

The unaudited net assets of the Target Company as at 31 December 2019 was approximately HK\$(3,406,784).

The valuation in terms of gross development value of the Property and the market value of the Property on redevelopment basis as determined by an independent valuer as at 27 September 2019 was HK\$2,050,000,000 and HK\$903,000,000, respectively.

Details on the two bases of the two valuation methods are as follows:

Gross development value: The estimated gross development value is the aggregate capital value of the units of the proposed development at the Property assuming completion of construction as at the date of valuation at current price. The assessment of the estimated gross development value is also made on the basis of market value being applied to the completed units.



In preparing the gross development value of the Property, the independent valuer has valued the Property by adopting the direct comparison method by making reference to sales evidence as available on the market. The valuer has valued the market value of the Property on completion basis assuming that it is fully completed as at valuation date. The gross development value of the Property is the valuer's opinion of the aggregate market values of all saleable units comprised in the completed development.

Market value on redevelopment basis: In assessing the market value on redevelopment basis, the valuer has adopted the residual method which is a means of valuing land with reference to its development potential by deducting development costs, interest and developer's profit from its estimated gross development value. It relies upon a series of assumptions, which produce an estimate of the expected current market value of a site being developed or held for development or redevelopment.

The Purchase Price was determined by the parties after arms' length negotiations after taking into account, among other things, the market value of the Property on redevelopment basis as determined by the independent valuer rather than the gross development value of the Property due to the then redevelopment status of the Property (i.e. the Property was a site with only substructural works in progress and steel hoardings erected along its perimeter as at the date of the Agreement).

Upon Completion, the Target Company ceased to be a subsidiary of the Company and its financial statements will no longer be consolidated into the financial statements of the Group.

The Group expects to have a gain of approximately HK\$384,000,000 before tax upon Completion, which is calculated based on (i) the aggregate Purchase Price for the Sale Share and Shareholder's Loan of HK\$980,000,000; (ii) less the carrying amount of the Target Company of approximately HK\$596,000,000 as at the Completion Date, being the cost of the Disposal. The actual amount of gain is subject to audit and the costs and expenses incurred relating to the Disposal will be taken into account. Therefore, the actual amount of gain may be different from the estimated amount above.

## **INFORMATION ON THE GROUP AND THE VENDOR**

The Group is principally engaged in property development and property investment for sale, rental or capital appreciation, provision of property management services and provision of finance.

The Vendor is a company incorporated in the BVI and is principally engaged in the business of property development in Hong Kong. It is a wholly-owned subsidiary of the Company. Prior to Completion, the Target Company was a direct wholly-owned subsidiary of the Vendor.

## **INFORMATION ON THE PURCHASER**

The Purchaser is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is directly held as to 100% by First Group Holdings Limited, which is in turn owned as to 100% by Mr. Hui Wai Yan; (ii) First Group Holdings Limited is principally engaged in the design, construction and development of properties; and (iii) each of the Purchaser and its ultimate beneficial owner is a third party independent of the Company and its connected persons.

## **USE OF PROCEEDS**

As disclosed in the Announcement, the cash proceeds from the Disposal will be used as general working capital of the Group. The aggregate net proceeds from the Disposal were approximately HK\$200,000,000.

## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

As disclosed in the Announcement, the Directors believe that the value of the Property will be realised by the Disposal and the Disposal will enable the Group to free up capital for its business operations. The Directors (including the independent non-executive Directors) consider that the Disposal and the terms of the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

As such, there is failure by the Company to timely comply with the reporting, announcement and shareholders' approval requirements. To the best of the Directors' knowledge, information and belief, such delay in disclosure and other compliance matters under Chapter 14 of the Listing Rules was due to the reconsidering of the recommendation in the agenda of IFRS Interpretations Committee Meeting held in 2019 and hence recognizing the possibility of IFRS10 rather than IFRS15 being applied insofar as the accounting treatment of sale of a single asset entity containing real estate is concerned. IFRS10 specifies requirements that apply to transactions involving change in control of entities (e.g. by way of transferring equity interests) while IFRS15 apply to transactions involving the transfer of control of assets to customers in the ordinary course of business. The IFRS Interpretations Committee recommended publishing a tentative agenda decision that outlines how an entity applies IFRS10 to the sale of a single asset entity containing real estate. Nevertheless, the Directors reiterated that they have no intention for such non-compliance and the non-compliance was solely due to the reasons as stated above.

The Company and the Board apologize for any inconvenience caused to investors due to the non-compliance issues. Going forward, the Company will closely monitor the effectiveness and efficiency of its compliance system and the relevant corporate governance measures, particularly in the areas of, among other things, notifiable transactions, so as to prevent the future occurrence of any similar incidents. Further remediation actions are detailed in the section headed "Remedial Actions" of this announcement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders or any of their associates have any material interest in the Disposal, thus no Shareholder is required to abstain from voting if the Company were to convene an extraordinary general meeting for the approval of the Disposal at the material time.

To the best of the Directors' knowledge, information and belief, as at the date of this announcement, Mr. Chan Man Fai Joe and his associate, holding, in aggregate, 434,640,800 Shares, representing approximately 67.75% of the total number of issued Shares, intend to vote in favour of the resolution(s) to be proposed at extraordinary general meeting for approving and ratifying the Agreement and the transactions contemplated thereunder.

## REMEDIAL ACTIONS

In order to avoid recurrence of incidents mentioned above and to ensure proper compliance with the Listing Rules in the future, the following remedial measures have been or will be taken by the Group:

- (i) with immediate effect, legal and accounting professionals are required to be consulted in relation to all disposals of the shares of the subsidiary(ies) and shareholder's loan(s) under the Group in relation to the treatment to ensure compliance with the relevant requirements under the Listing Rules;
- (ii) training will be provided to the relevant handling staff in relation to the requirements under the Listing Rules, particularly those concerning notifiable transactions;
- (iii) the Company has sought, and will seek legal advice from time to time as and when necessary.

## GENERAL

A circular containing, among others, further details relating to the Disposal and a notice convening the EGM to be held to consider and, if thought fit, approve and ratify the Disposal is expected to be despatched to the Shareholders on or before 27 March 2020, which is more than 15 business days after the publication of this announcement, as the Company requires more time to prepare the information to be included in the circular.

## DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“Agreement”	the sale and purchase agreement dated 31 December 2019 entered into by the Purchaser, the Vendor and the Company in relation to the Disposal
“Announcement”	the voluntary announcement of the Company dated 31 December 2019 in relation to the Disposal
“Assignment of Shareholder’s Loan”	the assignment of shareholder loan dated 9 January 2019 and entered into among the Vendor, the Purchaser and the Target Company in relation to the assignment of a loan in the amount of HK\$573,362,082 owed by the Target Company to the Vendor by the Vendor to the Purchaser

“Balance of Purchase Price”	has the meaning ascribed to it under the section headed “Purchase Price” of this announcement
“Board”	the board of the Directors
“BVI”	British Virgin Islands
“Company”	Star Properties Group (Cayman Islands) Limited, a company incorporated in the Cayman islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 1560)
“Completion”	completion of the sale and purchase of the Sale Share and the Shareholder’s Loan
“Completion Accounts”	the audited financial statements of the Target Company for the period from 1 January 2019 up to Completion prepared and audited by practicing certified public accountants
“Completion Date”	means 9 January 2020
“Condition Precedent”	the condition precedent to the Completion
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the sale of the Sale Share and the Shareholder’s Loan by the Vendor to the Purchaser
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approve and ratify, among other things, the Agreement and transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRS”	the International Financial Reporting Standards
“IFRS Interpretations Committee”	the interpretative body of the International Accounting Standards Board
“IFRS Interpretations Committee Meeting”	the meeting of the IFRS Interpretations Committee held in June 2019
“Initial Deposit”	the sum of HK\$98,000,000, being part of the Purchase Price
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Net Asset Value”	means an amount equal to:

- (i) the aggregate of all current tangible assets of the Target Company which are readily convertible into cash or cash equivalents as shown in the Completion Accounts including subsisting utilities and other miscellaneous deposits, prepaid rates and government rent, and building management fee relating to the Property (up to and inclusive of the Completion Date) but excluding the value of the Property, intangible assets, other fixed assets, prepaid insurance premium, unused tax deduction, unclaimed tax allowance and any deferred tax assets; less
- (ii) the aggregate of all liabilities (actual, contingent or otherwise) (including all losses, expenses and damages for remedying or compensating against the due diligence problem(s) identified as contemplated under the relevant clause of the Agreement and the outstanding liabilities of the Target Company under the Contracts, but excluding the Shareholder’s Loan and any deferred liabilities) and provisions of the Target Company as at the Completion Date,

in each case, to be determined with reference to the Completion Accounts.

“Property”	ALL THAT piece or parcel of ground registered in the Land Registry as SECTION A OF LOT NO.303 in DEMARCATION DISTRICT NO.355 together with messuages, erections and buildings (if any) thereon
“Purchase Price”	HK\$980,000,000 (subject to the adjustment), being the aggregate consideration payable by the Purchaser to the Vendor for the Sale Share and Shareholder’s Loan
“Purchaser”	1 Plus 13 Investment Company Limited, a company incorporated in Hong Kong with limited liability
“Redemption Amount”	has the meaning ascribed to it under the section headed “Purchase Price” in this announcement
“Sale Share”	one ordinary share of the Target Company, being the entire issued share capital of the Target Company
“SCB”	Shanghai Commercial Bank Limited
“Security Deposit”	has the meaning ascribed to it under the section headed “Purchase Price” in this announcement
“Share(s) “	ordinary shares in the share capital of the Company
“Shareholders”	holders of the Shares
“Shareholder’s Loan”	all such sum of money advanced by way of loan by the Vendor to the Target Company and due and owing by the Target Company to the vendor as at Completion
“Stakeholder”	has the meaning ascribed to it under the section headed “Purchase Price” of this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Rainbow Red Holdings Limited 虹彩控股有限公司, a company incorporated in Hong Kong

“Vendor”	Inventive Rainbow Limited, a company incorporated in the BVI, which is an indirect wholly-owned subsidiary of the Company as at the date of this announcement
“working day”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which licensed banks in Hong Kong are open for general business in Hong Kong
“%”	per cent.

For and on behalf of the Board  
**Star Properties Group (Cayman Islands) Limited**  
**Chan Man Fai Joe**  
*Chairman*

Hong Kong, 28 February 2020

*As at the date of this announcement, the Board consists of four executive Directors, namely Mr. Chan Man Fai Joe (Chairman), Ms. Cheung Wai Shuen, Mr. Liu Hon Wai and Prof. Pong Kam Keung; one non-executive Director, namely Mr. Yim Kwok Man; and three independent non-executive Directors, namely Dr. Wong Wai Kong, Mr. Lee Chung Ming Eric and Ms. Chan Wah Man Carman.*