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**21 Holdings Limited**

**21 控股有限公司\***

*(incorporated in Bermuda with limited liability)*

**(stock code: 1003)**

**(1) DISCLOSEABLE TRANSACTION  
DISPOSAL OF A PROPERTY  
(2) UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS  
AND  
(3) RESUMPTION OF TRADING**

**DISCLOSEABLE TRANSACTION**

The Directors of the Company announce that Kennex, a wholly-owned subsidiary of the Company, entered into the Provisional Agreement on 15 December 2009 for the sale of the Property at the price of HK\$18,200,000.

The Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

**UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS**

The Company has noted the recent decrease in the trading price and increase in the trading volume of the Shares and wish to state that the Directors are not aware of any reasons for such fluctuation.

Save and except a rights issue of the Company became unconditional after 4:00 p.m. on 14 December 2009 which was announced under an announcement of the Company of 15 December 2009 and the Provisional Agreement, the Board confirms that, there are no other negotiations or agreements relating to intended acquisitions or realizations which are discloseable under Rule 13.23 of the Listing Rules, and neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

**RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 2:30 p.m. on 18 December 2009 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares from 9:30 a.m. on 21 December 2009.

*\* for identification purpose only*

## THE PROVISIONAL AGREEMENT

### Date:

15 December 2009

### Parties:

- Vendor : Kennex, a wholly-owned subsidiary of the Company;
- Purchaser : China All Access Group Limited, a company incorporated in the British Virgin Islands. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Purchaser is an investment holding company; and (ii) the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons and are not connected persons of the Company; and
- Property agent : A licensed property agency in Hong Kong. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the property agent and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons and are not connected persons of the Company.

### Property:

The property sold under the Provisional Agreement is Unit 5 on 8th Floor, Greenfield Tower, Concordia Plaza, No.1 Science Museum Road, Kowloon, Hong Kong.

The Property was acquired by Kennex in February 2008 at the price of HK\$17,712,600. Based on the unaudited interim report of the Group for the six-months ended 30 June 2009, the book value of the Property was HK\$14,294,000. The net loss relating to the Property for the year ended 31 December 2008 and the six-months ended 30 June 2009 was approximately HK\$4,189,000 (inclusive of a provision for impairment loss of HK\$3,656,000) and HK\$228,000 respectively, and therefore no net profit is attributable to the Property for such periods.

Vacant possession of the Property shall be delivered on completion of the Provisional Agreement.

### Consideration

The Consideration for the sale of the Property is HK\$18,200,000 which shall be paid by the Purchaser as follows:—

- (a) an initial deposit of HK\$900,000 has been paid upon the signing of the Provisional Agreement;
- (b) a further deposit of HK\$920,000 shall be paid upon the signing of the formal agreement for sale and purchase on or before 29 December 2009; and
- (c) the balance of the Consideration in the sum of HK\$16,380,000 shall be paid upon completion of the sale and purchase of the Property.

The said deposits are held by Kennex's solicitors as stakeholders and may be released to Kennex if the balance of the Consideration is sufficient to discharge any existing legal charge/mortgage relating to the Property. As at the date of this announcement, there is no charge or mortgage against the Property.

The Consideration was agreed between Kennex and the Purchaser based on arm's length negotiations taking into account, among other things, prevailing prices of commercial properties in the Tsim Sha Tsui district of Hong Kong.

### **Completion**

Under the terms of the Provisional Agreement, completion of the sale and purchase of the Property shall take place on or before 25 February 2010.

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

The Group is principally engaged in the provision of property agency and related services, trading of toys, gifts and premium products and securities trading and investments.

The Directors consider the Disposal provides an opportunity for the Group to unlock its resources in the Property.

The Board considers that the terms of the Provisional Agreement are fair and reasonable and the entering into of the Provisional Agreement is in the interests of the Company and the Shareholders as a whole.

### **INTENDED USE OF PROCEEDS AND FINANCIAL EFFECTS OF THE DISPOSAL**

It is intended that the proceeds from the Disposal will be applied as general working capital of the Group. The Group expects to record a gain from the Disposal of approximately HK\$3,960,000 as calculated by reference to the Consideration of HK\$18,200,000 and the carrying value of the Property and the costs and expenses incurred or to be incurred in connection with the Disposal. The final amount of the gain on the Disposal is to be determined with reference to the carrying value of the Property as at completion of the Disposal.

### **GENERAL**

Pursuant to Rule 14.06 of the Listing Rules, the Disposal constitutes a discloseable transaction for the Company.

### **UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS**

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## DEFINITIONS

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

“Board”	the board of Directors
“Company”	21 Holdings Limited, a company incorporated under the laws of Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration in the total sum of HK\$18,200,000 payable by the Purchaser to Kennex for the sale and purchase of the Property under the Provisional Agreement
“Disposal”	the disposal of the Property
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Kennex”	Kennex Investments Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Unit 5 on 8th Floor, Greenfield Tower, Concordia Plaza, No.1 Science Museum Road, Kowloon, Hong Kong
“Provisional Agreement”	the provisional sale and purchase agreement entered into between Kennex, the Purchaser and a property agency relating to the Disposal dated 15 December 2009
“Purchaser”	China All Access Group Limited

“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By order of the Board  
**21 Holdings Limited**  
**Ng Kai Man**  
*Chairman*

Hong Kong, 18 December 2009

*As at the date of this announcement, the Board comprises Mr. Ng Kai Man (Chairman), Mr. Ha Kee Choy, Eugene and Ms. Ma Wai Man, Catherine as executive Directors and Mr. Cheng Yuk Wo, Mr. Chui Chi Yun, Robert and Mr. Lui Siu Tsuen, Richard as independent non-executive Directors.*