

Hong Kong Exchanges and Clearings 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.



WING LEE HOLDINGS LIMITED

永利控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 876)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

On 24 May 2010, the Purchaser entered into a binding Provisional Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$40,000,000. Pursuant to the terms of the Provisional Agreement, the Purchaser and the Vendor will enter into a formal agreement for the Acquisition on or before 3 June 2010. The Acquisition is scheduled to be completed on or before 26 August 2010.

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

THE PROVISIONAL AGREEMENT

On 24 May 2010, the Purchaser entered into a binding Provisional Agreement with the Vendor for the acquisition of the Property.

SUMMARY OF TERMS OF THE PROVISIONAL AGREEMENT

Date of entering: 24 May 2010

Vendor: Li Sik Chi (by his executor, Li Patrick K). To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor is an Independent Third Party.

Purchaser: Extra Rich Development Limited, a wholly-owned subsidiary of the Company, or its nominees.

* *for identification purposes only*

Summary of terms: Pursuant to the terms of the Provisional Agreement, the Purchaser will acquire the Property from the Vendor at a consideration of HK\$40,000,000. An initial deposit of HK\$2,000,000 in cash was paid by the Purchaser upon signing of the Provisional Agreement and a further deposit of HK\$2,000,000 in cash will be payable by the Purchaser upon signing of the formal agreement on or before 3 June 2010. The balance of the Consideration, being HK\$36,000,000, will be paid in cash upon Completion, which is scheduled to take place on or before 26 August 2010.

The ground floor and mezzanine floor of the Property is currently on lease at the rate of HK\$90,000 per month (excluding management fees which are paid by the tenant), and is currently used as a hardware store. The lease will be assigned to the Purchaser and the deposit of HK\$225,000 under the lease will be transferred to the Purchaser upon Completion. The lease will expire on 22 September 2011. The first floor to eighth floor of the Property will be delivered with vacant possession upon Completion.

The Property is currently subject to two orders issued by the Building Authority. The Vendor has agreed that, if by Completion, the Vendor is unable to comply with the two orders, the Vendor will deposit HK\$300,000 with the Purchaser's solicitors. This sum is to be used to pay towards the work required to be carried out by the Purchaser to comply with the two orders to the satisfaction of the Building Authority.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Property is a building with shop premises on the ground floor and mezzanine floor, and residential units on the first to eighth floor, located on No. 656 Shanghai Street, Kowloon, Hong Kong with a total gross area of approximately 7,300 square feet. The current rental for the ground floor and mezzanine floor of the Property is HK\$90,000 per month (i.e. HK\$1,080,000, or a rental yield of approximately 2.7% per annum). The net profits before taxation and after taxation attributable to the Property were HK\$1,020,000 and HK\$852,000 respectively for the financial year ended 31 December 2008 and HK\$1,036,000 and HK\$865,000 respectively for the financial year ended 31 December 2009. The Property will be used by the Group for investment purposes.

The Consideration was arrived at after arm's length negotiation between the Purchaser and the Vendor and by reference to the market value of similar properties in similar locations. With the recent upturn in Hong Kong's economy, the Property is expected to appreciate in value. The Directors consider that the Acquisition is a good investment opportunity and believe that the Group will benefit from the anticipated growth in value of the Property, while expanding the portfolio of investment properties in Hong Kong and providing a steady income stream.

The Acquisition will be funded through internal resources and/or banking financing, details of which will be further considered and decided by the Group.

The Directors are of the view that the terms of acquisition in the Provisional Agreement including the consideration are in normal commercial terms, and are fair and reasonable and in the interests of the shareholders of the Company as a whole.

GENERAL

The principal activity of the Group consists of the manufacture and trading of electronic jacks and connectors, properties investment and securities investment.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the Acquisition exceed 5% but are less than 25%, the Acquisition therefore constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following terms have the same meanings as set out below:

“Acquisition”	acquisition of the Property by the Purchaser pursuant to the terms of the Provisional Agreement;
“Board”	the board of Directors;
“Company”	Wing Lee Holdings Limited, a company incorporated in Bermuda and the shares of which are listed on the main board of the Stock Exchange;
“Completion”	completion of the Acquisition;
“Consideration”	HK\$40,000,000;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;

“Independent Third Party(ies)”	party(ies) who are third parties independent of the Company and connected persons (as defined in the Listing Rules) of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	the whole building, situated on No. 656 Shanghai Street, Kowloon, Hong Kong;
“Provisional Agreement”	the binding provisional sale and purchase agreement entered into on 24 May 2010 for the Acquisition;
“Purchaser”	Extra Rich Development Limited, a wholly-owned subsidiary of the Company, or a company nominated by it;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Vendor”	Li Sik Chi (by his executor, Li Patrick K). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the Vendor is an Independent Third Party.

By Order of the Board
Wing Lee Holdings Limited
Chow Tak Hung
Chairman

Hong Kong, 25 May 2010

As at the date of this announcement, the Board comprises of four executive directors, namely Mr. Chow Tak Hung, Ms. Chow Woon Yin, Ms. Wong Siu Wah and Ms. Chau Choi Fa and three independent non-executive directors, namely Dr. Lau Yue Sun, Mr. Yip Tai Him and Mr. Lam Kwok Cheong.