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SUN CENTURY GROUP LIMITED

太陽世紀集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1383)

NON-LEGALLY BINDING AGREEMENT OF INTENT IN RESPECT OF THE POSSIBLE ACQUISITION

This announcement is made pursuant to rule 13.09 of the Listing Rules.

The Board is pleased to announce that on 19 July 2012 (after the trading hours), the Company entered into a non-legally binding Agreement of Intent with the Vendor in relation to the Possible Acquisition by the Company or a party designated by the Company of the entire equity interest in the Target Company which owns the Project in Huangshan City of Anhui Province. Completion of the Possible Acquisition is subject to the entering of a formal sale and purchase agreement between the Company and the Vendor.

The Board wishes to emphasise that the Possible Acquisition may or may not proceed. In the event that any formal sale and purchase agreement is entered into, the Possible Acquisition may constitute a notifiable transaction for the Company under the Listing Rules and the Company will make further announcement(s) as and when appropriate. Shareholders and potential investors should exercise caution when dealing in the Shares.

This announcement is made pursuant to rule 13.09 of the Listing Rules.

MEMORANDUM OF UNDERSTANDING

The Board is pleased to announce that on 19 July 2012 (after the trading hours), the Company entered into a non-legally binding Agreement of Intent with the Vendor in relation to the Possible Acquisition by the Company or a party designated by the Company of the entire equity interest in the Target Company which owns the Project in Huangshan City of Anhui Province. Completion of the Possible Acquisition is subject to the entering of a formal sale and purchase agreement between the Company and the Vendor.

Date: 19 July 2012 (after the trading hours)

Purchaser: The Company or a party designated by the Company

Vendor: The Vendor

As at the date of this announcement, the Vendor is the legal and beneficial owner of the entire registered capital of the Target Company.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Material terms of the Agreement of Intent

Pursuant to the terms of the Agreement of Intent, it is proposed that the Company or a party designated by the Company will acquire the entire equity interest in the Target Company held by the Vendor if the Possible Acquisition is materialised.

Upon execution of the Agreement of Intent, the Company has the right to conduct appropriate due diligence investigation in relation to the assets, liabilities, operations and businesses of the Target Company and the Project. The Vendor shall provide assistance in relation to such due diligence investigation as requested by the Company and its advisers and agent.

The consideration for the sale and purchase of the entire equity interest in the Target Company will be negotiated between the parties based on the results of the due diligence investigations.

The Agreement of Intent is effective for a period of six months from the date of the Agreement of Intent unless extended by agreement between the parties thereto. The Vendor has agreed that during the effective period of the Agreement of Intent, it will exclude all the sale and purchase offer and relevant due diligence investigation in respect of the equity interest in the Target Company or the Project except for the Company and the party designated by the Company.

Save for the matters disclosed above, the entering into the Agreement of Intent does not constitute legally binding obligations on the parties thereto. Completion of the Possible Acquisition is subject to the entering of a formal sale and purchase agreement between the Company and the Vendor.

INFORMATION ON THE TARGET COMPANY AND THE PROJECT

The Target Company is a limited liability company established in Anhui Province of the PRC with the registered and paid-up capital of RMB10,580,000. It is principally engaged in property development in the PRC. It owns the land use right of three adjacent parcels of land with a total area of about 117,888 square metres in Huangshan City of Anhui Province. The Target Company is developing the Project on the land. The plot ratio for the Project is 0.7. The current completed construction floor area is approximately 38,900 square metres of which approximately 11,417 square metres have been sold.

GENERAL

The Board wishes to emphasise that the Possible Acquisition may or may not proceed. In the event that any formal sale and purchase agreement is entered into, the Possible Acquisition may constitute a notifiable transaction for the Company under the Listing Rules and the Company will make further announcement(s) as and when appropriate. Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

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

“Agreement of Intent”	the non-binding agreement of intent entered into between the Vendor and the Company in relation to the Possible Acquisition
“Board”	the board of Directors
“Company”	Sun Century Group 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
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Possible Acquisition”	the possible acquisition of the entire equity interest in the Target Company by the Company or a party designated by the Company
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Project”	the property project developed by the Target Company in Huangshan City of Anhui Province
“Shareholder(s)”	the holder(s) of the issued Shares
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	安徽龍升房地產開發有限責任公司 (Anhui Longsheng Property Development Company Limited#), a limited liability company established in the PRC
“Vendor”	深圳國華資產管理有限公司 (Shenzhen Guohua Assets Management Company Limited#), a limited liability company established in the PRC
“RMB”	the lawful currency for the time being of the PRC

The English transliteration of the Chinese name(s) in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).

By order of the Board
Sun Century Group Limited
Chau Cheok Wa
Chairman

Hong Kong, 19 July 2012

As at the date of this announcement, the executive Directors are Mr. CHAU Cheok Wa, Mr. LEE Chi Shing Caesar, Ms. YEUNG So Mui, Ms. CHENG Mei Ching, Ms. YEUNG So Lai, Mr. LEUNG Ming Ho and Mr. QIU Bin; and the independent non-executive Directors are Mr. LUI Man Wah, Mr. TOU Kin Chuen and Dr. WU Kam Fun Roderick.

* *For identification purposes only*