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GOLDEN WHEEL TIANDI HOLDINGS COMPANY LIMITED

金輪天地控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1232)

HEADS OF TERMS IN RELATION TO THE PROPOSED ACQUISITION

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 12 January 2017 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Vendor and the Manager entered into the Heads of Terms in relation to the Proposed Acquisition.

As of the date of this announcement, all terms and conditions of the Proposed Acquisition are still being negotiated and no legally binding agreement has been entered into. The Proposed Acquisition, if materialized, will constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules when legally binding formal agreements in relation to the Proposed Acquisition are entered into.

As the Proposed Acquisition may or may not proceed, Shareholders and investors are reminded to exercise caution when dealing in the Shares.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the inside information provisions under Part XIVA of the SFO.

PRINCIPAL TERMS OF THE HEADS OF TERMS

Subject matter of the Heads of Terms:

The Board is pleased to announce that on 12 January 2017 (after trading hours), the Purchaser (a wholly-owned subsidiary of the Company), the Vendor and the Manager entered into the Heads of Terms, pursuant to which the Purchaser intends to acquire, and the Vendor intends to sell, its entire interest in the Target Company, comprising (a) the Sale Share; and (b) shareholder's loan to the Target Company.

Upon completion of the Proposed Acquisition, the Purchaser and the Manager intend to enter into a hotel management agreement in relation to the management of the Hotel.

The parties to the Heads of Terms shall use reasonable endeavours to negotiate and enter into the Formal SPA on or before 28 February 2017 (or such other date as may be agreed between the Purchaser and the Vendor).

Earnest Money:

Pursuant to the Heads of Terms, the Purchaser shall pay to the Vendor's solicitors the earnest money of HK\$20,000,000 (the "**Earnest Money**") upon signing of the Heads of Terms. The Earnest Money shall be retained by the Vendor's solicitors as stakeholder who shall release it to the Vendor upon signing of the Formal SPA to form part of the Deposit payable by the Purchaser to the Vendor under the Formal SPA.

The Purchaser is entitled to cancel the transactions contemplated under the Heads of Terms or the Formal SPA (as the case may be) and the Vendor or the Vendor's solicitors (as the case may be) shall return to the Purchaser, the Earnest Money or (as the case may be) the Deposit, if:

- (a) any of the following conditions is not fulfilled (or waived by the Purchaser) within the Due Diligence Period:
- the Purchaser having reasonably satisfied with the due diligence investigation on the business, financial and legal aspects of the Target Company; and
 - the Vendor having procured the Target Company to prove and give a good title to the Property; or

- (b) the Company has not obtained approval from the Shareholders in relation to the Proposed Acquisition on or before 21 April 2017; or
- (c) the following condition is not fulfilled (or waived by the Purchaser) on or before completion of the Proposed Acquisition:
- the representations, undertakings and warranties given by the Vendor under the Heads of Terms and the Formal SPA are and shall remain true, correct and not misleading in all material respects up to the completion of the Proposed Acquisition and that there has been no change or event that has or had material adverse effect on the business, financial and legal status of the Target Company and the title to the Property from the date of the Formal SPA up to the completion of the Proposed Acquisition.

Due diligence:

The Purchaser is allowed to conduct a due diligence review on the business, financial and legal aspects of the Target Company during the Due Diligence Period.

Exclusivity:

During the Exclusivity Period, the Vendor will not, and shall procure the Target Company not to, unless the Heads of Terms have been terminated, enter or agree to enter into any agreements with any person (other than the Purchaser and its affiliates) for sale, transfer or other disposal of the Sale Share or the Property (or any part of it).

Binding effect:

Save for the provisions relating to the Earnest Money (including the provisions on return of Earnest Money or (as the case may be) the Deposit as described in the paragraph headed “Earnest Money” above), due diligence, exclusivity, binding effect, costs and expenses, stamp duty, confidentiality, publicity, governing law and termination, the Heads of Terms do not constitute any legally binding commitment or obligation on the parties to the Heads of Terms.

Costs and Expenses:

Each of the parties shall pay its own legal costs and expenses in relation to the Heads of Terms, the preparation of the formal agreements and all transactions in connection therewith.

Stamp Duty:

All stamp duty payable in relation to the Formal SPA and on the transfer of the Sale Share and the shareholder's loan (if any) shall be borne by the Purchaser absolutely.

Termination:

In addition to the termination rights set out above, if the Vendor or the Purchaser unreasonably refuses to enter into the Formal SPA on or before 28 February 2017 (or such other date as may be agreed between the Vendor and the Purchaser), the other Party is entitled to terminate the Heads of Terms whereupon the party who unreasonably refuses to enter into the Formal SPA as aforesaid is required to pay all actual legal and professional costs and expenses incurred by the other party and the Vendor (or the Vendor's solicitors) shall refund the Earnest Money to the Purchaser.

REASONS FOR ENTERING INTO THE HEADS OF TERMS

The Company is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the main board of the Stock Exchange. The principal business of the Company is investment holding. The Group is principally engaged in commercial and residential property development, property investment and property management in the People's Republic of China.

The Target Company is the holding company of the Property and is the owner of the Hotel.

The Directors consider that the Proposed Acquisition would enhance the Group's hotel operation business segment which is in line with the Group's strategies to further develop new business segments besides the major property development segment.

The terms of the Heads of Terms were arrived at after arm's length negotiations between the Purchaser, the Vendor and the Manager. The payment of the Earnest Money under the Heads of Terms is funded by the internal resources of the Group. The Directors consider that the transactions contemplated by the Heads of Terms are on normal commercial terms and the terms of the Heads of Terms are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

GENERAL

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor, the Manager and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

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As the Proposed Acquisition may or may not proceed, Shareholders and investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Golden Wheel Tiandi Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 1232)
“Deposit”	the sum payable by the Purchaser to the Vendor upon signing of the Formal SPA. Upon signing of the Formal SPA, the Earnest Money will be released and be applied towards payment of the Deposit
“Directors”	the directors of the Company

“Due Diligence Period”	the period from the date of the Heads of Terms up to and including 28 February 2017 (or as extended by agreement of the Purchaser and the Vendor)
“Exclusivity Period”	the period from the date of the Heads of Terms up to and including 28 February 2017 (or such other date as may be agreed between the Purchaser and the Vendor)
“Formal SPA”	the legally binding formal sale and purchase agreement to be entered into between the Purchaser and the Vendor in relation to the acquisition of the Sale Share by the Purchaser
“Group”	the Company and its subsidiaries
“Heads of Terms”	the heads of terms dated 12 January 2017 entered into by the Purchaser, the Vendor and the Manager in relation to the Proposed Acquisition
“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
“Hotel”	the building located on the Property and owned by the Target Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Manager”	Dorsett Hospitality International Services Limited, a company incorporated in Hong Kong with limited liability
“Property”	all that piece or parcel of ground registered in the Land Registry as Kowloon Inland Lot No. 6374 together with the messuages, erections and buildings thereon known as No. 48 Anchor Street, owned by the Target Company

“Proposed Acquisition”	the proposed acquisition by the Purchaser of the entire interest of the Vendor in the Target Company, comprising the Sale Share and shareholder’s loan to the Target Company
“Purchaser”	Golden Wheel Jasper Company Limited 金輪翠玉有限公司, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Sale Share”	the entire issued share capital of the Target Company
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of US\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Double Advance Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Vendor”	Dorsett Hospitality International Limited, a company incorporated in the Cayman Islands with limited liability

By order of the Board
Golden Wheel Tiandi Holdings Company Limited
Wong Yam Yin
Chairman

Hong Kong, 12 January 2017

As at the date of this announcement, the Board comprises Mr. Wong Yam Yin, Mr. Wong Kam Fai, Mr. Wong Kam Keung, Barry, Mr. Tjie Tjin Fung, and Mr. Janata David as Executive Directors; Mr. Suwita Janata, and Mr. Gunawan Kiky as Non-Executive Directors; Mr. Hui Yan Moon, Mr. Wong Ying Loi, Ms. Howe Sau Man and Mr. Lie Tak Sen as Independent Non-Executive Directors.