

Hong Kong Exchanges and Clearing 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 however arising from or in reliance upon the whole or any part of the contents of this announcement.



SAM WOO HOLDINGS LIMITED

三和集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 2322)

CONTINUING CONNECTED TRANSACTION LEASING OF PREMISES

The Board announces that the Company had entered into tenancy agreement with each of Long Ascent, Healthy World, Cheer Wealth, Cheer Profit and East Ascent and that the Subsidiary had entered into tenancy agreement with Cheer Crown on 16 September 2009 for leasing of the Premises.

Each of the Landlords is a private company owned by either one or a combination of Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka, Ms. Leung Lai So, each of whom a Director, and Ms. Lau Pui Shan, a director of the Subsidiary. Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka and Ms. Leung Lai So together also have approximately 71.19 % interests in the issued share capital of the Company. Accordingly, the transactions contemplated under the Tenancy Agreements constitute continuing connected transactions under Rule 14A.14 of the Listing Rules and are required to be disclosed by this announcement, but are exempt from independent shareholders' approval pursuant to Rule 14A.34 of the Listing Rules.

DETAILS OF THE TENANCY AGREEMENTS

The Board announces that the Company had entered into tenancy agreement with each of Long Ascent, Healthy World, Cheer Wealth, Cheer Profit and East Ascent and that the Subsidiary had entered into tenancy agreement with Cheer Crown on 16 September 2009 for leasing of the Premises.

The principal terms of the Tenancy Agreements are summarized as follows:

Landlord (collectively the "Landlords")

- | | |
|--------------------------|---|
| First Tenancy Agreement | : Long Ascent Development Limited ("Long Ascent") |
| Second Tenancy Agreement | : Healthy World Investment Limited ("Healthy World") |
| Third Tenancy Agreement | : Cheer Wealth International Development Limited ("Cheer Wealth") |
| Fourth Tenancy Agreement | : Cheer Profit International Enterprise Limited ("Cheer Profit") |
| Fifth Tenancy Agreement | : East Ascent Enterprise Limited ("East Ascent") |
| Sixth Tenancy Agreement | : Cheer Crown Limited ("Cheer Crown") |

Tenant

- First, Second, Third, Fourth and Fifth Tenancy Agreements : Sam Woo Holdings Limited (the “Company”)
Sixth Tenancy Agreement : Sam Woo Bore Pile Foundation Limited (the “Subsidiary”)

Premises (collectively the “Premises”)

- First Tenancy Agreement : Flat C, 16/F, Block 2 and Private Carparking Space No. 61, Parc Palais, 18 Wylie Road, Ho Man Tin, Kowloon, Hong Kong
Second Tenancy Agreement : Flat C, 15/F, Block 2 and Private Carparking Space No. 60, Parc Palais, 18 Wylie Road, Ho Man Tin, Kowloon, Hong Kong
Third Tenancy Agreement : Flat A, 29/F, Block 1, Parc Palais, 18 Wylie Road, Ho Man Tin, Kowloon, Hong Kong
Fourth Tenancy Agreement : Carparking Space No. 63, Parc Palais, 18 Wylie Road, Ho Man Tin, Kowloon, Hong Kong
Fifth Tenancy Agreement : Carparking Space No. 62, Parc Palais, 18 Wylie Road, Ho Man Tin, Kowloon, Hong Kong
Sixth Tenancy Agreement : RP of Lot Nos. 1313 and 1317 in DD106, Yuen Long, New Territories, Hong Kong

Lease term

- First, Second, Third, Fourth and Fifth Tenancy Agreement : Twenty four (24) calendar months commencing from 1 April 2009 and ending on 31 March 2011 (both days inclusive)
Sixth Tenancy Agreement : Twenty (20) calendar months commencing from 1 August 2009 and ending on 31 March 2011 (both days inclusive)

Rent

- First Tenancy Agreement : HK\$43,000 per month payable in cash
Second Tenancy Agreement : HK\$43,000 per month payable in cash
Third Tenancy Agreement : HK\$66,000 per month payable in cash
Fourth Tenancy Agreement : HK\$3,000 per month payable in cash
Fifth Tenancy Agreement : HK\$3,000 per month payable in cash
Sixth Tenancy Agreement : HK\$90,000 per month payable in cash

Annual rent payable	:	HK\$2,976,000
Aggregate rent payable	:	HK\$5,592,000
Management fee, rates and government rent	:	To be paid by the Landlords
Termination	:	Terminable by tenant after first twelve months of tenancy with one month's written notice or payment of one month's rent in lieu of notice

PRINCIPAL ACTIVITIES OF THE GROUP AND THE LANDLORD

The principal activity of the Company is investment holding and the principal activities of the Group are foundation works, leasing and trading of foundation machinery and equipment and vessel chartering. The principal activity of the Landlords is property investment.

REASON FOR THE TRANSACTIONS

The premises leased under the First, Second, Third, Fourth and Fifth Tenancy Agreements had been provided to certain Directors, including Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka and Ms. Leung Lai So, for use as quarters since 1 April 2005 and the premises leased under the Sixth Tenancy Agreement had been used as open storage and service depot for the Group's machinery and equipment since 1 August 2003. The Company considers it necessary and in its interest to continue leasing the premises and to continue their present usage purpose.

The annual cap approved and annual rent paid to the Landlords for leasing of the Premises under various expired tenancy agreements are as follow:

			Annual cap and actual rent paid
Year ended 31 March 2008	:		HK\$2,976,000
Year ended 31 March 2009	:		HK\$2,976,000
Year ending 31 March 2010	:		HK\$360,000

The annual cap approved for leasing of the Premises aggregated under the expired tenancy agreements and Tenancy Agreements are as follow:

			Annual cap
Year ending 31 March 2010 (Note)	:		HK\$2,976,000
Year ending 31 March 2011	:		HK\$2,976,000

Note: The annual cap for year ending 31 March 2010 is a revised cap to reflect the aggregation of rent payable under the expired tenancy agreement for the period 1 April 2009 to 31 July 2009 and rent payable under the Tenancy Agreements for the period 1 April 2009 to 31 March 2010.

The Company and the Subsidiary had negotiated with the Landlords on an arm's length basis with reference to open market rent of comparable properties' transaction records in the area as published / quoted by the property agencies and decided to enter into the Continuing Connected Transactions.

The Directors, including the independent non-executive directors, are of the opinion that the terms and conditions of the Tenancy Agreements are made on normal commercial terms which are fair and reasonable. The Directors also believe that the Tenancy Agreements are entered into in the ordinary and usual course of business and in the interests of the Company and the Group and the Company's shareholders as a whole. The annual cap approved for the Continuing Connected Transactions is HK\$2,976,000.

The rent under the Tenancy Agreements is to be paid from the Group's internal resources.

THE CONTINUING CONNECTED TRANSACTIONS

Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka, Ms. Leung Lai So, each a Director, and Ms. Lau Pui Shan, a director of the Subsidiary, have the following interests in the Landlords.

Landlord	Shareholdings
Long Ascent	: Lau Chun Ming 50%; Lau Chun Kwok 49%; Leung Lai So 1%
Healthy World	: Lau Chun Ming 50%; Lau Chun Ka 50%
Cheer Wealth	: Lau Chun Ming 50%; Leung Lai So 25%; Lau Pui Shan 25%
Cheer Profit	: Lau Chun Ming 50%; Leung Lai So 25%; Lau Pui Shan 25%
East Ascent	: Lau Chun Ming 50%; Leung Lai So 25%; Lau Pui Shan 25%
Cheer Crown	: Lau Chun Ming 100%

Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka and Ms. Leung Lai So together also have approximately 71.19 % interests in the issued share capital of the Company. Each of the Landlords is therefore a connected person to the Company as defined under Rule 14A.11 of the Listing Rules and accordingly, the transactions contemplated under the Tenancy Agreements constitute continuing connected transactions under Rule 14A.14 of the Listing Rules.

Based on the annual rent payable of HK\$2,976,000 under the Tenancy Agreements, certain applicable percentage ratio is more than 2.5% but all applicable percentage ratios are less than 25% and the annual consideration is less than HK\$10,000,000, pursuant to Rule 14A.34 of the Listing Rules, the Continuing Connected Transactions are subject to the reporting and announcement requirements under Rules 14A.45 and 14A.47 of the Listing Rules, but are exempt from independent shareholders' approval.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	Sam Woo Holdings Limited
“Continuing Connected Transactions”	the transactions contemplated under the Tenancy Agreements
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Subsidiary”	Sam Woo Bore Pile Foundation Limited, a wholly owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	the tenancy agreements all dated 16 September 2009 between each of the Landlords and the Company or the Subsidiary

By order of the Board
Sam Woo Holdings Limited
CHAN Sun Kwong
Company Secretary

Hong Kong, 16 September 2009

As at the date of this announcement, the executive directors are Mr. Lau Chun Ming, Mr. Lau Chun Kwok, Mr. Lau Chun Ka, Ms. Leung Lai So, Mr. Hsu Kam Yee, Simon and Mr. Chan Sun Kwong; the non-executive director is Mr. Chiu Kam Kun, Eric; the independent non-executive directors are Dr. Lee Peng Fei, Allen, Professor Wong Sue Cheun, Roderick and Ms. Wong Tsui Yue, Lucy.

** for identification purposes only*