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雅視光學集團有限公司^{*}
(Incorporated in Bermuda with limited liability)

(Stock Code: 1120)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

On 25th October 2011, the Purchaser entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Property at the Purchase Price of HK\$95,270,360.00.

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 25th October 2011, the Purchaser entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Property at the Purchase Price of HK\$95,270,360.00.

THE SALE AND PURCHASE AGREEMENT

Date: 25th October 2011

Parties: (i) Purchaser: Sin Dak Industrial Limited; and

(ii) Vendor: Bright Treasure Development Limited, a property development company incorporated in Hong Kong.

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.

^{*} For identification purpose only

Property to be acquired: The whole of the 32nd Floor of, and nine car parks on the 2nd Floor of, No.55 King Yip Street, Kowloon, Hong Kong (the remaining portion of Kwun Tong Inland Lot No.697). The gross area and saleable area of the whole of the 32nd Floor are approximately 12,682 square feet and 9,643 square feet respectively.

The building comprises 24 storeys (from 7th Floor to 33rd Floor with 3 Floors omitted) which are for office use.

Consideration

The Purchase Price is HK\$95,270,360.00 which has been/shall be satisfied in cash in the following manner:

- (i) HK\$4,763,518.00, being the deposit and part payment by the Purchaser to the Vendor, has already been paid;
- (ii) HK\$4,763,518.00, shall be paid by the Purchaser to the Vendor on or before 1st November, 2011;
- (iii) HK\$9,527,036.00, shall be paid by the Purchaser to the Vendor on or before 1st December, 2011; and
- (iv) HK\$76,216,288.00, being the balance of the Purchase Price, shall be paid by the Purchaser to the Vendor within 14 days notice of Completion.

The Purchase Price has been determined by the parties at arm's length negotiations with reference to the prevailing market prices of comparable properties located in the same area.

The Purchase Price will be funded out of the Company's internal resources and/or by bank borrowings.

Completion

Completion shall take place around March 2012.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The headquarter of the Group has been located at its existing premises in Kwun Tong since 1989 and the Property is being purchased in order for the Group to relocate its headquarter to the Property to cope with its future business developments and expansion.

The Directors (including the independent non-executive Directors) consider the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INFORMATION ON THE GROUP

The Group is principally engaged in the design and manufacturing of optical frames, and the distribution and retailing of optical products.

DEFINITIONS

"Acquisition" the acquisition of the Property by the Purchaser

from the Vendor pursuant to the Sale and Purchase

Agreement

"Board" the board of Directors of the Company

"Company" Arts Optical International Holdings Limited (Stock

Code: 1120), a company incorporated in Bermuda with limited liability, the issued shares of which are listed

on the Main Board of the Stock Exchange

"Completion" Completion of the Acquisition in accordance with the

terms and conditions of a formal agreement for sale and purchase to be entered into between the Vendor

and the Purchaser in relation to the Acquisition

"connected person(s)" has the meaning ascribed to it under the Listing Rules

"Director(s)" the director(s) of the Company

"Group" the Company and its subsidiaries

"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

"Listing Rules" the Rules Governing the Listing of Securities on the

Stock Exchange

"Property" The whole of the 32nd Floor of, and nine car parks on

the 2nd Floor of, No. 55 King Yip Street, Kowloon, Hong Kong (the remaining portion of Kwun Tong Inland Lot No.697). The gross area and saleable area of the whole of the 32nd Floor are approximately 12,682 square feet and 9,643 square feet respectively.

"Purchase Price" HK\$95,270,360.00 being the total purchase price for

the Property

"Purchaser" Sin Dak Industrial Limited, a 100% indirectly owned

subsidiary of the Company

"Sale and Purchase Agreement" the provisional agreement for sale and purchase dated

25th October 2011 entered into between the Purchaser

and the Vendor in relation to the Acquisition

"Shareholder(s)" registered holder(s) of share(s) in the Company

"Stock Exchange" The Stock Exchange of Hong Kong Limited

"Vendor" Bright Treasure Development Limited, a limited

liability company incorporated in Hong Kong

For and on behalf of the Board of

Arts Optical International Holdings Limited

Ng Hoi Ying, Michael

Chairman

Hong Kong, 25th October 2011

As at the date of this announcement, the Board comprises six directors, three of whom are executive directors, namely Mr. Ng Hoi Ying, Michael, Mr. Ng Kim Ying and Mr. Lee Wai Chung, and three are independent non-executive directors, namely Mr. Wong Chi Wai, Mr. Chung Hil Lan Eric and Mr. Lam Yu Lung.