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(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 459)

CONTINUING CONNECTED TRANSACTION

The Board announces that on 30 April 2012, MAL, an indirect wholly-owned subsidiary of the Company, as tenant entered into the New Tenancy Agreement with SYIL as landlord in relation to the leasing of an office of the Group. SYIL is a company wholly-owned by an associate of Ms. Tang Mei Lai, Metty, the Chairman, the Managing Director and an Executive Director of the Company. Accordingly, the New Tenancy Agreement constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

Some of the applicable percentage ratios in respect of the aggregate annual rent payable under the New Tenancy Agreement exceed 0.1% with the relevant annual amounts above the sum of HK\$1,000,000. Nonetheless, all of the applicable percentage ratios in respect of the aggregate annual rent payable under the New Tenancy Agreement are less than 5%. Thus, the New Tenancy Agreement is only subject to the reporting, annual review and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DETAILS OF THE NEW TENANCY AGREEMENT

MAL, an indirect wholly-owned subsidiary of the Company, and SYIL entered into the New Tenancy Agreement for the Premises, details of the principal terms of the New Tenancy Agreement are as follows:-

* For identification purpose only

Date : 30 April 2012

Landlord : SYIL

Tenant : MAL

Premises : Nos.11-16 on 7/F, Tower B, New Mandarin Plaza, No.14 Science Museum Road, Kowloon, Hong Kong

Term : 2 years commencing from 1 May 2012 and expiring on 30 April 2014 (both days inclusive)

Rental : Monthly rental of HK\$144,601, payable in advance on the first day of each calendar month. The monthly rental is exclusive of government rent, government rates, air-conditioning charges and management fees in respect of the Premises, and MAL shall be responsible for the payment of such fees and charges pursuant to the New Tenancy Agreement.

Option to renew : Nil

Rent-free Period : Nil

The aggregate annual cap for each of the years ending 31 December 2012, 2013 and 2014 based on the aforesaid monthly rental payment terms is approximately HK\$1,300,000, HK\$1,900,000 and HK\$700,000 respectively.

DETAILS OF THE PREVIOUS TENANCY AGREEMENT

The New Tenancy Agreement is a renewal of the Previous Tenancy Agreement, details of the principal terms of which are summarised below:-

Date : 30 April 2010

Landlord : SYIL

Tenant : MAL

Premises : Nos.11-16 on 7/F, Tower B, New Mandarin Plaza, No.14 Science Museum Road, Kowloon, Hong Kong

Term : 2 years commenced from 1 May 2010 and expired on 30 April 2012 (both days inclusive)

- Rental : Monthly rental of HK\$113,166 for the first year and HK\$125,740 for the second year, payable in advance on the first day of each calendar month. The monthly rental was exclusive of government rent, government rates, air-conditioning charges and management fee in respect of the Premises, and MAL shall be responsible for the payment of such fees and charges pursuant to the Previous Tenancy Agreement.
- Option to renew : Nil
- Rent-free Period : 31 days from 1 May 2010 to 31 May 2010 (both days inclusive)

REASON FOR ENTERING INTO THE NEW TENANCY AGREEMENT

The Premises have been rented to MAL as an office for the real estate agency business of the Group. Rental payments under the New Tenancy Agreement were agreed to by the Group with reference to comparable transactions and the current market conditions for properties of similar size and location.

The Directors, including the independent non-executive Directors, consider that the entering into of the New Tenancy Agreement is in the ordinary and usual course of business of the Group, and that the terms of the New Tenancy Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

SYIL is wholly owned by an associate of Ms. Tang Mei Lai, Metty, the Chairman, the Managing Director and an Executive Director of the Company. The entering into of the New Tenancy Agreement therefore constitutes a continuing connected transaction for the Company under Rule 14A.14 of the Listing Rules.

Some of the applicable percentage ratios in respect of the aggregate annual rent payable under the New Tenancy Agreement exceed 0.1% with the relevant annual amounts above the sum of HK\$1,000,000. Nonetheless, all of the applicable percentage ratios in respect of the aggregate annual rent payable under the New Tenancy Agreement are less than 5%. Thus, the New Tenancy Agreement is only subject to the reporting, annual review and announcement requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Details of the New Tenancy Agreement will be included in the annual report of the Company for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

As Ms. Tang Mei Lai, Metty and Ms. Wong Ching Yi, Angela are directors of both SYIL and the Company, they are deemed to have a material interest in the New Tenancy Agreement and had abstained from voting on the Board resolutions passed in connection with the New Tenancy Agreement.

INFORMATION ON THE COMPANY

The principal business activities of the Group are provision of property agency services in respect of commercial and industrial properties and shops in Hong Kong.

DEFINITIONS

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

“associate”	has the meaning as ascribed under the Listing Rules
“Board”	the board of Directors
“Company”	Midland IC&I Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“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

“MAL”	Midland Alliance Limited, a company incorporated in the Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“New Tenancy Agreement”	a tenancy agreement dated 30 April 2012 made between MAL as tenant and SYIL as landlord in respect of the leasing of the Premises
“Premises”	Nos.11-16 on 7/F, Tower B, New Mandarin Plaza, No.14 Science Museum Road, Kowloon, Hong Kong owned by SYIL
“Previous Tenancy Agreement”	a tenancy agreement dated 30 April 2010 made between MAL as tenant and SYIL as landlord in respect of the leasing of the Premises
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SYIL”	Shun Yik International Limited, a company incorporated in the British Virgin Islands with limited liability, the principal activity of which is property investment. SYIL is wholly owned by an associate of Ms. Tang Mei Lai, Metty

By Order of the Board
Midland IC&I Limited
MOK Ka Fai
Company Secretary

Hong Kong, 30 April 2012

As at the date of this announcement, the Board comprises eight Directors, of which four are Executive Directors, namely Ms. TANG Mei Lai, Metty, Mr. WONG Tsz Wa, Pierre, Ms. WONG Ching Yi, Angela and Mr. WONG Hon Shing, Daniel; one is Non-executive Director, namely Mr. TSANG Link Carl, Brian (with Mr. CHU Kuo Fai, Gordon as his alternate); three are Independent Non-executive Directors, namely Mr. YING Wing Cheung, William, Mr. SHA Pau, Eric and Mr. HO Kwan Tat, Ted.