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CHEVALIER INTERNATIONAL HOLDINGS LIMITED

其士國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 25)

TERMINATION OF POSSIBLE ACQUISITION OF CERTAIN HOT SPRING HOTELS

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

Reference is made to the announcements of the Company dated 6 December 2011 and 30 December 2011 (the “Announcements”) in respect of the entering into of the letter of intent and supplemental letter of intent relating to the possible acquisition (“Possible Acquisition”) of certain hot spring hotels in Japan and certain related assets and operating companies. Terms herein shall have the same meanings as those defined in the Announcements unless otherwise specify.

The board of directors of the Company (the “Board”) announces that on 11 January 2012, the Company decided not to proceed further with the Possible Acquisition after conducting the relevant due diligence.

By Order of the Board
Chevalier International Holdings Limited
CHOW Yei Ching
Chairman

Hong Kong, 11 January 2012

As at the date of this announcement, the Board comprises Dr Chow Yei Ching (Chairman), Messrs Kuok Hoi Sang (Vice Chairman and Managing Director), Tam Kwok Wing (Deputy Managing Director), Chow Vee Tsung, Oscar, Ho Chung Leung, Ma Chi Wing and Miss Lily Chow as executive directors; Dr Chow Ming Kuen, Joseph, Messrs Sun Kai Dah, George and Yang Chuen Liang, Charles as independent non-executive directors and Dr Ko Chan Gock, William as non-executive director.

* *For identification purposes only*