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VINDA INTERNATIONAL HOLDINGS LIMITED

維達國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3331)

CONNECTED TRANSACTION DISPOSAL OF PROPERTY

SALE AND PURCHASE AGREEMENT

On 12 December 2014 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at the consideration of HK\$23.58 million.

IMPLICATIONS UNDER THE LISTING RULES

The Purchaser is indirectly owned as to 74.21% by Mr. LI Chao Wang, 15.79% by Ms. YU Yi Fang and 10% by Mr. DONG Yi Ping, the executive Directors as at the date of this announcement, it is therefore an associate of Mr. LI Chao Wang and a connected person of the Company. Accordingly, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Disposal exceed 0.1% but are less than 5%, the Disposal is subject to the announcement and reporting requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

INTRODUCTION

On 12 December 2014 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at the consideration of HK\$23.58 million.

SALE AND PURCHASE AGREEMENT

Principal terms are set out below:

Date : 12 December 2014

Parties : (i) Forton Enterprises Limited, a wholly-owned subsidiary of the Company as vendor

(ii) Brilliant Idea Limited as purchaser

The Purchaser is indirectly owned as to 74.21% by Mr. LI Chao Wang, 15.79% by Ms. YU Yi Fang and 10% by Mr. DONG Yi Ping, the executive Directors as at the date of this announcement, it is therefore an associate of Mr. LI Chao Wang and a connected person of the Company.

Assets to be disposed of

The Property is an office premises situated in Tsim Sha Tsui with a saleable area of approximately 1,950 square feet and now used by the Group as its principal place of business in Hong Kong.

The net book value of the Property was approximately HK\$13 million as at 30 November 2014. No income or revenue had been generated since the acquisition of the Property by the Group on 28 November 1995.

Consideration and payment terms

The Consideration in the sum of HK\$23.58 million has been paid or shall be payable by the Purchaser to the Vendor in the following manner:

- (1) an initial deposit in the sum of HK\$200,000 has been paid upon signing the Sale and Purchase Agreement; and
- (2) the balance of the Consideration in the sum of HK\$23.38 million shall be paid upon Completion which is expected to take place on 30 December 2014.

The Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms after taking into the valuation of the Property in the sum of HK\$23.58 million as appraised by an independent professional qualified valuer and the recent transacted prices of similar properties in the vicinity of the Property.

The Board is of the view that the Consideration is in line with the market values and the recent transacted prices of similar properties in the vicinity of the Property.

Completion

Completion is expected to take place on 30 December 2014.

The Vendor shall deliver vacant possession of the Property to the Purchaser upon Completion and the principal place of business of the Company in Hong Kong will be relocated to another office premises. For details, please refer to the announcement dated 12 December 2014 issued by the Company titled "Change of Principal Place of Business in Hong Kong".

INFORMATION ON THE PARTIES

The Group is principally engaged in the manufacturing and sale of household consumable paper products and personal care products in the PRC, Hong Kong and Macau, and its principal products include toilet paper, paper handkerchiefs, facial tissue paper, paper napkins, baby diapers, incontinence products and feminine care products.

The Purchaser is an investment holding company with limited liability incorporated under the laws of Hong Kong.

REASONS FOR AND FINANCIAL EFFECT OF THE DISPOSAL

In view of the recent appreciation of property prices in Hong Kong, the Board considers that it is a good opportunity for the Group to realise the Property and to improve its cash flow. The Group intends to use the net proceeds arising from the Disposal as general working capital and additional fund for its future development.

The net book value of the Property was approximately HK\$13 million as at 30 November 2014. On that basis, as a result of the Disposal, the Group is expected to record a net gain of approximately HK\$9 million after deducting the related costs and expenses in relation to the Disposal.

Mr. LI Chao Wang, Ms. YU Yi Fang and Mr. DONG Yi Ping are considered to have material interest in the Disposal and have abstained from voting at the Board meeting to approve the Sale and Purchase Agreement and the Disposal. Save as disclosed, none of the Directors has material interest in the Disposal and is required to abstain from voting at the relevant Board meeting.

Based on the above, the Directors, including the independent non-executive Directors but excluding Mr. LI Chao Wang, Ms. YU Yi Fang and Mr. DONG Yi Ping who have abstained from voting, consider the terms of the Sale and Purchase Agreement and the Disposal are fair and reasonable and on normal commercial terms and that the Disposal is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

The Purchaser is indirectly owned as to 74.21% by Mr. LI Chao Wang, 15.79% by Ms. YU Yi Fang and 10.00% by Mr. DONG Yi Ping, the executive Directors as at the date of this announcement, it is therefore an associate of Mr. LI Chao Wang and a connected person of the Company. Accordingly, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Disposal exceed 0.1% but are less than 5%, the Disposal is subject to the announcement and reporting requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“associate(s)”	shall have the meaning given to it in the Listing Rules
“Board”	the board of directors of the Company
“Company”	Vinda International Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the shares of which are listed on The Stock Exchange of Hong Kong Limited (stock code: 3331)
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“connected person(s)”	shall have the meaning given to it in the Listing Rules
“Consideration”	the consideration payable by the Purchaser to the Vendor in respect of the Disposal in the sum of HK\$23.58 million
“Directors”	the directors of the Company
“Disposal”	the disposal of the Property by the Vendor to the Purchaser in accordance with the terms and conditions of the Sale and Purchase Agreement
“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 PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Property”	an office premises with the saleable area of 1,950 square feet situated at Unit 6, 5th Floor of Tower 1, South Seas Centre, No. 75 Mody Road, Kowloon, Hong Kong
“Purchaser”	Brilliant Idea Limited (証富有限公司), a limited liability company incorporated under the laws of Hong Kong and is owned indirectly as to 74.21% by Mr. LI Chao Wang, 15.79% by Ms. YU Yi Fang and 10% by Mr. DONG Yi Ping, the executive Directors as at the date of this announcement
“Sale and Purchase Agreement”	the sale and purchase agreement dated 12 December 2014 entered into between the Vendor and the Purchaser in respect of the sale and purchase of the Property at the Consideration

“Vendor” FORTON ENTERPRISES LIMITED (和達企業有限公司), a limited liability company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of the Company as at the date of this announcement

“%” per cent.

By order of the board
Vinda International Holdings Limited
LI Chao Wang
Chairman

Hong Kong, 12 December 2014

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. LI Chao Wang

Ms. YU Yi Fang

Ms. ZHANG Dong Fang

Mr. DONG Yi Ping

Non-executive Directors:

Mr. Jan Christer JOHANSSON

Mr. Jan Lennart PERSSON

Mr. Johann Christoph MICHALSKI

Mr. Ulf Olof Lennart SODERSTROM

Independent Non-executive Directors:

Mr. KAM Robert

Mr. HUI Chin Tong, Godfrey

Mr. TSUI King Fai

Mr. WONG Kwai Huen, Albert

Alternate Directors:

Ms. LI Jielin (alternate to Mr. LI, Ms. YU and Mr. DONG)

Mr. CHIU Bun (alternate to Mr. MICHALSKI and Mr. SODERSTROM)

Mr. Gert Mikael SCHMIDT (alternate to Mr. JOHANSSON and Mr. PERSSON)