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WONG'S INTERNATIONAL HOLDINGS LIMITED

王氏國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 99)

DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSAL OF PROPERTY

The Board wishes to announce that on 17 September 2014, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional 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\$75,000,000.

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board wishes to announce that on 17 September 2014, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional 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\$75,000,000.

PRINCIPAL TERMS OF THE PROVISIONAL SALE AND PURCHASE AGREEMENT

Date

17 September 2014

Parties

- (1) Vendor: Fordmax Investment Limited, an indirect wholly-owned subsidiary of the Company and a company incorporated in Hong Kong with limited liability

- (2) Purchaser: Coming Holdings Limited, a company incorporated in Hong Kong with limited liability

Assets to be disposed of

The Property is a non-residential property which consists of (i) the whole of 13/F, Yau Lee Centre, 45 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong and (ii) no. 5 car parking space on the ground floor of Yau Lee Centre, 45 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

The Property has been used by the Vendor as investment properties for the purpose of generating rental income. The book value of the Property was approximately HK\$72,100,000 as at 30 June 2014. For the two financial years and for the six months ended 30 June 2014 immediately preceding the Disposal, the revenue and net profits attributable to the Property are as follows:

	For the six months ended	For the year ended 31 December	
	30 June	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Rental income	824	1,648	1,236
Increase in fair value of Property	500	18,200	11,900
Net profit after taxation	1,153	19,405	12,578

Consideration and payment terms

The Consideration of HK\$75,000,000 has been paid or shall be payable (as the case may be) by the Purchaser to the Vendor in the following manner:

- (1) a preliminary deposit in the sum of HK\$3,750,000 has been paid upon signing of the Provisional Sale and Purchase Agreement;
- (2) a further deposit in the sum of HK\$3,750,000 shall be paid on or before 30 September 2014, when the formal sale and purchase agreement in respect of the Property will be signed; and
- (3) the balance of the Consideration in the sum of HK\$67,500,000 shall be paid upon Completion on or before 10 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 account relevant factors, including the market prices of comparable properties of similar size, character and location of the Property. The Board is of the view that the Consideration is in line with the market values and recent transaction records of comparable properties.

Completion

Completion shall take place on or before 10 December 2014.

INFORMATION OF THE PARTIES

The Purchaser is a company incorporated in Hong Kong with limited liability. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected person(s) as defined under the Listing Rules.

The Company is a holding company. The principal activities of its subsidiaries are the development, manufacture, marketing and distribution of electronic products (including micro-computers, telecommunication equipment, broadband communication products, internet appliances, wireless communication or networking equipment and other electronic products) as well as property investment. The Vendor is a properties holding company and is indirectly wholly-owned by the Company.

REASONS FOR AND FINANCIAL EFFECT OF THE DISPOSAL

In view of the recent appreciation of the property market in Hong Kong, the Board considers that it is a good opportunity to dispose the Property. The Directors are of the view that the terms of the Provisional Sale and Purchase Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

It is estimated that upon Completion, the net gain arising from the Disposal is expected to be approximately HK\$1,900,000, being the difference between the Consideration receivable from the Disposal, i.e. HK\$75,000,000, and the book value of the Property of approximately HK\$72,100,000 as at 30 June 2014 and other related costs and expenses of approximately HK\$1,000,000.

The Board intends to use the net proceeds arising from the Disposal of approximately HK\$74,000,000 as general working capital and additional fund for future development.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to the announcement and reporting requirements but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Company”	Wong’s International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 99);
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Provisional Sale and Purchase Agreement;
“Consideration”	HK\$75,000,000, being the aggregate consideration of the Disposal;

“Director(s)”	the director(s) of the Company;
“Disposal”	the disposal of the Property by the Vendor to the Purchaser in accordance with the terms and conditions of the Provisional Sale and Purchase Agreement;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Property”	the non-residential property which consists of (i) the whole of 13/F, Yau Lee Centre, 45 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong and (ii) no. 5 car parking space on the ground floor of Yau Lee Centre, 45 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong;
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement dated 17 September 2014 entered into between the Vendor and the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property at the Consideration;
“Purchaser”	Coming Holdings Limited, a company incorporated in Hong Kong with limited liability;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	Fordmax Investment Limited, an indirect wholly-owned subsidiary of the Company and a company incorporated in Hong Kong with limited liability;
“%”	per cent.

By Order of the Board
WONG CHUNG MAT, BEN
Chairman and Chief Executive Officer

Hong Kong, 17 September 2014

As at the date of this announcement, the Executive Directors are Mr. Wong Chung Mat, Ben, Ms. Wong Yin Man, Ada, Mr. Chan Tsze Wah, Gabriel and Mr. Wan Man Keung; and the Independent Non-executive Directors are Dr. Li Ka Cheung, Eric GBS, OBE, JP, Dr. Yu Sun Say GBM, JP and Mr. Alfred Donald Yap JP.

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