



**VANTAGE INTERNATIONAL (HOLDINGS) LIMITED**  
**盈信控股有限公司**

(Incorporated in Bermuda with limited liability)  
(Stock Code: 15)

**DISCLOSEABLE TRANSACTION – DISPOSAL OF PROPERTY**

On 13 October 2006, an indirectly wholly owned subsidiary of the Group entered into the Agreement to dispose of the Property for a consideration of GBP1,525,000 (approximately HK\$22,113,000).

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing details of the Disposal will be dispatched to the shareholders of the Company as soon as possible.

**THE AGREEMENT**

Date: 13 October 2006

Vendor: Jeva Limited, an indirectly wholly owned subsidiary of the Company

Purchaser: Pythagoras Property Limited, a company registered in Jersey, which, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, is engaged in property investment, and, together with its ultimate beneficial owner(s) are third parties independent of the Company and connected persons of the Company. Other than the Agreement, the Group did not have any previous transaction with the Purchaser.

Property: Flat 1, 78 Cadogan Square, London SW1X OEA, United Kingdom

Sale Price: GBP1,525,000 (approximately HK\$22,113,000), payable as follows:

- (i) A deposit of five per cent of the Sale Price being GBP76,250 (approximately HK\$1,106,000) ("Deposit") was paid on the signing of the Agreement and held by the Vendor's solicitors as stakeholders pending completion;
- (ii) The balance of the Sale Price being GBP1,448,750 (approximately HK\$21,007,000) shall be paid on completion.

The Sale Price was determined based on the arm's length negotiations through their respective agents and solicitors between the parties having regard to the prevailing favorable property market conditions in London and with reference to the market prices of similar properties in the same location.

Completion: The completion date shall be 10th November, 2006.

Conditions: The Agreement is conditional upon the grant by the Landlords and any Superior Landlords of the necessary licence ("Licence") to assign the lease in respect of the Property to the Purchaser. If the Licence has not been granted within two months from the date of the Agreement then either party at any time thereafter shall have the right to rescind the Agreement on written notice to the other and the Deposit shall be returned to the Purchaser without interest.

**INFORMATION ON THE PROPERTY**

The Property was acquired by the Group in April 2005 for a consideration of GBP1,000,000 (approximately HK\$14,700,000). The Property was held under lease for residential purposes. In view of the robust property market conditions in London, the Property had been acquired with an initial intention for its investment potential, or for the Directors for accommodation purposes in London, depending on the then market conditions. The Property has been vacant and has not generated any income for the Group since its acquisition. In September 2006, the Company incurred approximately HK\$1,951,000 to acquire a freehold interest in the Property. On 13 October 2006, the Property was included in the Group's property plant and equipment at an unaudited net book value of approximately HK\$16,198,000.

**REASONS FOR AND BENEFITS OF THE TRANSACTION**

The principal activities of the Group are property development and investment, and construction, maintenance and engineering contract works in Hong Kong.

As a result of the Disposal, it is estimated that the Group will record an unaudited gain on disposal of approximately HK\$5,161,000 (being the Sale Price less the unaudited net book value of the Property as of 13 October 2006, property agency commission of approximately HK\$609,000 and legal fees of approximately HK\$145,000 to be incurred on the Disposal).

Approximately HK\$12,615,000 of the proceeds from the Disposal will be applied to fully repay the bank loan of GBP870,000 (approximately HK\$12,615,000) secured by the Property, and the remaining balance of approximately HK\$8,744,000 of the proceeds (after payment of the commission and legal fees to be incurred) will be used as general working capital of the Group. The bank loan which bears interest at LIBOR plus 1% and is repayable

by July 2020, was obtained for the sole purpose of the acquisition of the Property.

In view of the gain to be accrued to the Group and that the proceeds from the Disposal could be applied in other more effective way as well as reduce the gearing ratio of the Group, the Directors consider that this is a prime opportunity to realise the Property. The Directors (including the Independent Non-executive Directors) believe that the terms of the Disposal are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

**GENERAL**

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. A circular containing details of the Disposal will be dispatched to the shareholders of the Company as soon as possible.

The delay in announcing the Disposal from 13 October 2006 until the date hereof was caused by the misunderstanding between the Company and its London solicitors regarding certain English law and practice in sale and purchase of property. Whilst the Company agreed with its property agent that a price of not less than GBP1,525,000 would be accepted, the Company has given full authority to its London solicitors to negotiate and sign on behalf of the Vendor legal documents to effect the Disposal. On 14 October 2006, the Directors were informed by its London solicitors that the Agreement was "exchanged". The Directors misunderstood that "exchange" of the Agreement meant exchange of the draft agreement for both parties' final review before signing. It was only on 24 October 2006 that the Company's London solicitors clarified and confirmed to the Directors that in English law context, "exchange of contracts" between the parties constitutes the binding agreement by the seller to sell the property and by the buyer to purchase the property.

At the date of this announcement, the executive directors of the Company comprise Mr. Ngai Chun Hung, Mr. Yau Kwok Fai, Mr. Shek Yu Ming Joseph and Mr. Li Chi Pong, whilst the independent non-executive directors comprise Professor Ko Jan Ming, Mr. Ip Kwok Him, GBS, JP and Mr. Fung Pui Cheung Eugene.

**DEFINITIONS**

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

"Agreement"	the agreement dated 13 October 2006 between the Vendor and the Purchaser in relation to the sale and purchase of the Property
"Company"	Vantage International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Directors"	directors of the Company
"Disposal"	the disposal of the Property
"GBP"	Pound Sterling, the lawful currency in the United Kingdom
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency in Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Property"	Flat 1, 78 Cadogan Square, London SW1X OEA, United Kingdom
"Purchaser"	Pythagoras Property Limited, a company registered in Jersey
"Sale Price"	the price at which the Vendor has agreed to sell the Property to the Purchase pursuant to the Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	Jeva Limited, a company incorporated in Hong Kong and indirectly wholly owned by the Company

By order of the Board  
**Vantage International (Holdings) Limited**  
**Yau Kwok Fai**

Deputy Chairman and Chief Executive Officer

Hong Kong, 25 October 2006