



VANTAGE INTERNATIONAL (HOLDINGS) LIMITED

盈信控股有限公司

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

DISCLOSEABLE TRANSACTION – COOPERATION AGREEMENT WITH CHINA RADIO AND TV INTERNATIONAL TECHNO-ECONOMIC COOPERATION CO.

On 28 October 2006, a wholly owned subsidiary of the Company entered into the Cooperation Agreement with China Radio and TV International Techno-Economic Cooperation Co. (中國廣播電視國際經濟技術合作總公司) for the Property Development Project.

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

THE COOPERATION AGREEMENT

Date

28 October 2006

Parties

- A. Hanforth Limited, a wholly owned subsidiary of the Company
- B. China Radio and TV International Techno-Economic Cooperation Co. (中國廣播電視國際經濟技術合作總公司), a company registered in the People's Republic of China, which is engaged in radio and television business, and, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry together with its ultimate beneficial owner(s), are third parties independent of the Company and connected persons of the Company. Other than the Property Development Project, the Company did not have any previous transaction with China Radio & TV.

Property Development Project

The Property Development Project relates to the redevelopment of the property at No. 1 Guangqu Road, Chaoyang District, Beijing, People's Republic of China, which occupies a land area of 34,715 sq. meter. The existing buildings on the Property will be demolished and redeveloped as a commercial and office complex with a gross floor area of 6,174 sq. meter (comprising 789 sq. meter of ground floor and 5,385 sq. meter of upper floors). The redeveloped building will comprise 6 levels, the lowest 2 of which will be shops for rental purposes and the upper 4 will be offices. The redevelopment is expected to be completed by August 2007. The Cooperation Agreement is unconditional.

Obligations and Rights of Party A

Hanforth is responsible for the total construction costs which are estimated, based on quotations submitted to Party B by independent construction contractors located in Beijing of construction costs reasonable for and comparable with the construction of similar properties in Beijing, to be RMB18,120,000 (approximately HK\$17,943,000), payable according to the stages of development as follows:

Stage of development	Estimated time	Approximate amount (RMB'000)	Equivalent HK\$ amount (HK\$'000)
Commencement of construction work	November 2006	5,000	4,951
Completion of foundation	December 2006	4,000	3,961
Superstructure	January 2007	3,000	2,971
Completion of superstructure and commencement of fitting out	March 2007	3,000	2,971
Fitting out and external work	May 2007	3,120	3,089
		18,120	17,943

The above construction costs will be funded by internal resources of the Group. The Group has no commitment to bear any additional construction costs over the estimated amount of RMB18,120,000 (approximately HK\$17,943,000). Although the Cooperation Agreement has no specific clauses providing for situations where actual construction costs may exceed this estimated amount, Party B has the responsibilities to supervise the progress and quality of the construction works and ensure the construction works are carried out and completed according to development and funding plans approved by Hanforth. The Company will make further announcement in accordance with the Listing Rules if the Group is required to contribute further amounts to the Property Development Project.

Hanforth shall be entitled to the use and earnings of 4,263 sq. meter of gross floor area of the redeveloped Property (comprising the ground to 4th floors and 69% of the total gross floor area of the redeveloped Property) ("Allocated Area") for an agreed period of 12 years commencing from the completion of the redevelopment of the Property ("Agreed Period"). During the Agreed Period, Hanforth shall have the absolute and exclusive right to use the Allocated Area for rental, commercial, office or other purposes. Hanforth shall be entitled to all income and gains arising from the Allocated Area during the Agreed Period. At the end of the Agreed Period, Hanforth shall return the Allocated Area in good conditions to China Radio & TV.

Obligations and Rights of Party B

China Radio & TV has proper title of the Property and is responsible for: (i) providing the land; (ii) handling all application procedures to obtain the approvals of the planning, design and development of the Property Development Project; (iii) preparing the actual development and funding plans, which shall be subjected to Hanforth's approval; (iv) providing building management, maintenance and security services in respect of the Property; (v) granting the licence to Hanforth to use and operate the Allocated Area during the Agreed Period.

China Radio & TV shall retain the ownership of the entire Property (including the buildings and structures thereon) and the land use right, and shall be entitled to the use of 1,911 sq. meter of gross floor area of the redeveloped Property (comprising the 5th and 6th floors and 31% of the total gross floor area of the redeveloped Property).

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.

Presently, all of the Group's operations are concentrated in Hong Kong. The Directors have positive views about the diversification of its businesses to mainland China, especially Beijing, as mainland China is considered a wider and bigger market than Hong Kong. The Directors consider that the Property Development Project presents a good opportunity for the Group to tap the potentials of diversification of its businesses to mainland China. The Group plans to lease out its Allocated Area of the Property to third parties for rental income. Upon completion of the redevelopment of the Property, the total construction costs of approximately HK\$17,943,000 will be accounted for by the Group as an investment property. The Directors are of the opinion that the Property Development Project would not have any material adverse impact on the working capital and operation of the Company. The Directors (including the Independent Non-executive Directors) believe that the terms of the Cooperation Agreement are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole.

GENERAL

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

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:

"Company"	Vantage International (Holdings) Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Cooperation Agreement"	the agreement dated 28 October 2006 between Party A and Party B in relation to the Property Development Project
"Directors"	directors of the Company
"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
"Party A" or "Hanforth"	Hanforth Limited, a company incorporated in Hong Kong with limited liability and wholly owned by the Company
"Party B" or "China Radio & TV"	China Radio and TV International Techno-Economic Cooperation Co. (中國廣播電視國際經濟技術合作總公司), a company registered in the People's Republic of China
"Property"	No. 1 Guangqu Road, Chaoyang District, Beijing, People's Republic of China
"Property Development Project"	the project for the redevelopment of the Property
"RMB"	Renminbi, the lawful currency in the People's Republic of China
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

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

Deputy Chairman and Chief Executive Officer

Hong Kong, 31 October 2006