



## **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)**

### **VOLUNTARY ANNOUNCEMENT**

The Company on 27 September 2008 entered into the Agreement with an entity under Liaoning Anshan City People's Government, pursuant to which both parties have set forth their understanding on the Company's factory construction project in Liaoning Anshan City, PRC.

#### **INTRODUCTION**

Vinda International Holdings Limited (the "Company") on 27 September 2008 entered into a conditional agreement with 鞍山達道灣工業開發區 ("Party A", the Industrial Development Zone of AnShan DaDaoWan (an entity under the People's Government of Liaoning, Anshan City)), pursuant to which both parties have set forth their understanding on the Company's plan of constructing a manufacturing plant in Liaoning Anshan City, PRC (the "Agreement").

#### **THE AGREEMENT**

Parties: (A) The Company (on behalf of itself and any subsidiary to be set up as the project vehicle); and

(B) Party A.

Major terms of the Agreement are summarised as follows:-

- (1) The Company plans to construct household paper production lines (having annual production capacity of 60,000 tons) in the Industrial Development Zone of AnShan DaDaoWan. The total investment amount shall ultimately amount to RMB600,000,000, the first phase of which shall have an annual production capacity of 20,000 tons and a total investment of RMB200,000,000;

- (2) Party A agrees to procure the grant of land use right over a total of 168 Mu to a new subsidiary to be incorporated by the Company in Anshan City for a consideration of RMB66,700 per Mu, and the first phase of which is payable within 90 days of the Agreement; and
- (3) Party A agrees to offer concessions over a series of taxes, fees and levies to the Company, including certain rebates of valued added tax and enterprise income tax during an initial period of operation of the manufacturing facility.

## **REASONS FOR ENTERING INTO THE AGREEMENT**

The Company is principally engaged in the manufacture and sales of branded household tissue. The directors of the Company believe that the Agreement enables the Company to expand its production capacity to cope with future business growth, in particular to serve the increasing demand in north-eastern China.

Further, if necessary, the Company will comply with all applicable requirements under the Listing Rules in relation to the Company's factory construction project in Liaoning Anshan City, PRC as and when more detailed terms thereof can be finalised.

By Order of the Board  
**Vinda International Holdings Limited**  
**Li Chao Wang**  
*Chairman*

Hong Kong, 3 October 2008

*As at the date of this announcement, the executive Directors are Mr. LI Chao Wang, Ms. YU Yi Fang and Mr. DONG Yi Ping; the non-executive Directors are Mr. LEUNG Ping Chung Hermann, Mr. MAK Kin Kwong, Mr. Johann Christoph MICHALSKI and Mr. CHIU Bun; and the independent non-executive Directors are Dr. CAO Zhen Lei, Mr. KAM Robert, Mr. HUI Chin Tong, Godfrey and Mr. TSUI King Fai.*