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**衍生集團(國際)控股有限公司**

**Hin Sang Group (International) Holding Co. Ltd.**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 6893)

## **DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY**

On 15 June 2016 after trading hours, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$68,800,000.

As the Acquisition exceeds 5% but does not exceed 25% of one or more of the applicable percentage ratios (as defined in the Listing Rules), the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules.

### **INTRODUCTION**

On 15 June 2016 after trading hours, the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor in respect of the Acquisition.

# **THE SALE AND PURCHASE AGREEMENT**

## **Date**

15 June 2016

## **Parties**

Vendor: Pearl Win Development Limited

Purchaser: Hong Kong Pharmaceutical & Research Institute Co. Ltd.

## **Asset to be acquired**

The Property is the office Units 13, 14 and 15 on 12th Floor Seapower Tower, Concordia Plaza, No.1 Science Museum Road, Kowloon, Hong Kong. The Property is a commercial property with a gross area of approximately 5,375 square feet.

## **Purchase Price**

The purchase price of the Property is HK\$68,800,000 which is payable by the Purchaser to the Vendor in cash in the following manner:

- (a) an initial deposit in the sum of HK\$3,440,000 have been paid upon signing of the provisional agreement for sale and purchase in respect of the Property on 30 May 2016;
- (b) further deposit in the sum of HK\$3,440,000 have been paid on 13 June 2016;
- (c) the balance in the sum of HK\$61,920,000 shall be paid on or before 28 July 2016.

The purchase price of the Property was determined after arm's length negotiation between the Vendor and the Purchaser on normal commercial terms having taken into account the prevailing market value of similar properties in the same district. It is estimated that the total cost of the Property together with transaction costs such as stamp duty, property agent commission and legal costs will be approximately HK\$75,000,000.

The Acquisition will be funded by net proceeds from the Listing.

## **Completion**

Completion of the Acquisition is expected to take place on or before 28 July 2016.

## **INFORMATION OF THE PURCHASER, THE COMPANY AND THE GROUP**

The Purchaser is an indirect wholly-owned subsidiary of the Company and its principal activity is investment holding.

The Group is principally engaged in developing, marketing, selling and distributing a wide variety of personal care products, health care products and household products under various brands and manufacturing proprietary Chinese medicine products.

## **INFORMATION OF THE VENDOR**

The Vendor is a company incorporated in Hong Kong with limited liability and its principal activity is investment.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group currently rents an office within an industrial property as back office in Yuen Long, Hong Kong. The Property will be used as the office of the Group in Hong Kong. The Board considers that the Acquisition will achieve rental saving and improve Group image. The Board also considers that the Acquisition is a sound investment which could provide potential capital appreciation opportunity to the Group.

On the above basis, the Board is of the view that the terms of the Agreement and the Acquisition are on normal commercial terms, fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole.

## **IMPLICATIONS OF THE LISTING RULES**

As the Acquisition exceeds 5% but does not exceed 25% of one or more of the applicable percentage ratios (as defined in the Listing Rules), the Acquisition constitutes a discloseable transaction of the Company under the Listing Rules. The Acquisition is subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition of the Property by the Purchaser at a consideration of HK\$68,800,000 pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors
“Company”	Hin Sang Group (International) Holding Co. Ltd.
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	(a) party(ies) who is/are not (a) connected person(s) (as defined in the Listing Rules) of the Company and who together with its/their ultimate beneficial owner(s) are independent of the Company and its connected persons (as defined in the Listing Rules)

“Listing”	The listing of the share of the Company on the Stock Exchange on 16 October 2014
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Units 13, 14 and 15, 12th Floor, Seapower Tower, Concordia Plaza, No.1 Science Museum Road, Kowloon, Hong Kong
“Purchaser”	Hong Kong Pharmaceutical & Research Institute Co. Ltd.
“Sale and Purchase Agreement”	the formal sale and purchase agreement entered into between the Purchaser and the Vendor on 13 June 2016 for the acquisition of the Property
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Pearl Win Development Limited
“%”	per cent.

By order of the Board  
**Hin Sang Group (International) Holding Co. Ltd.**  
**Pang Siu Hin**  
*Chairman*

Hong Kong, 16 June 2016

*As at the date of this announcement, the executive directors are Mr. Pang Siu Hin and Ms. Kwan Lai Man, the non-executive director is Ms. Wong Wai Ling, and the independent non-executive directors are Mr. Lee Luk Shiu, Dr. Tang Sing Hing, Kenny and Mr. Tsui Nam Hung.*